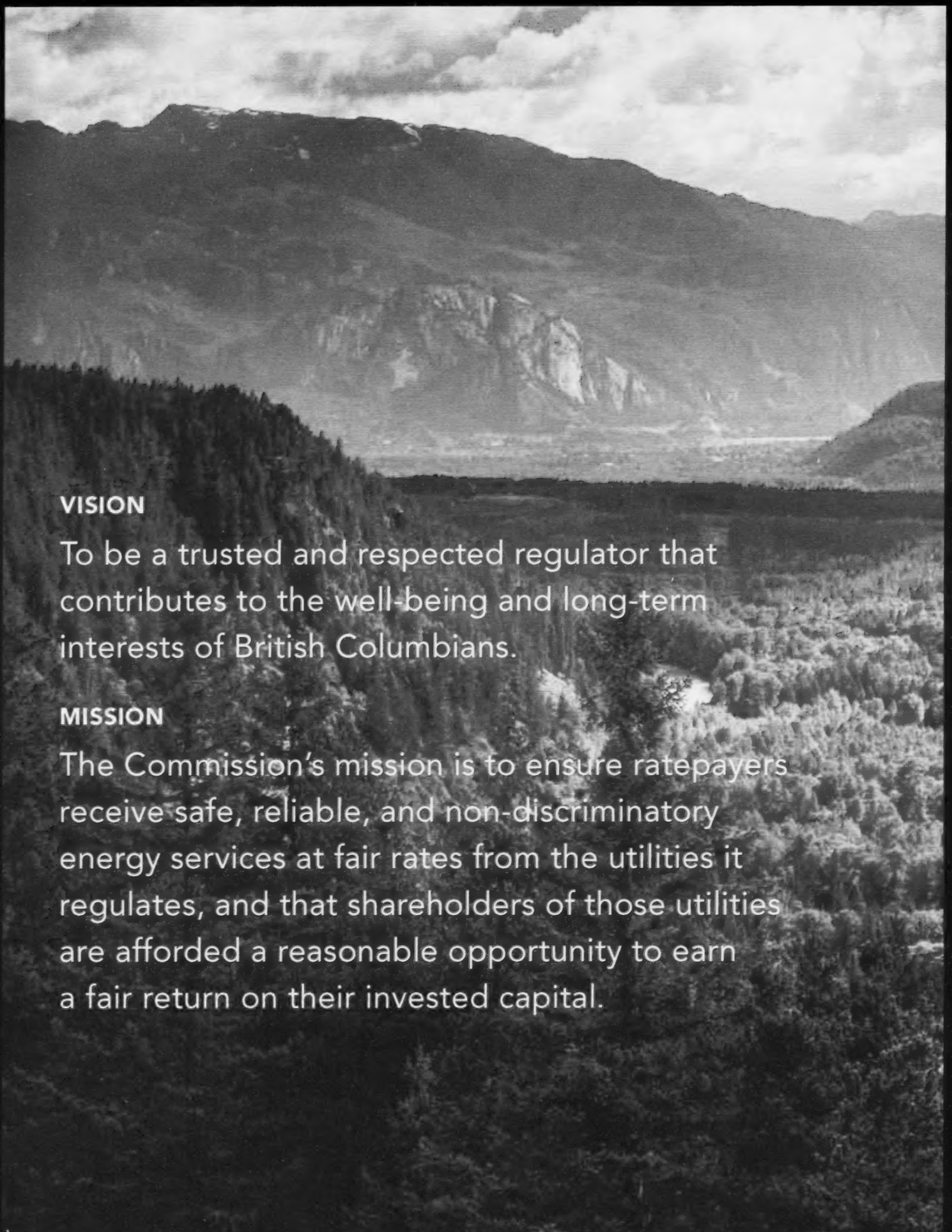
2011/2012
Annual Report

BRITISH COLUMBIA UTILITIES COMMISSION

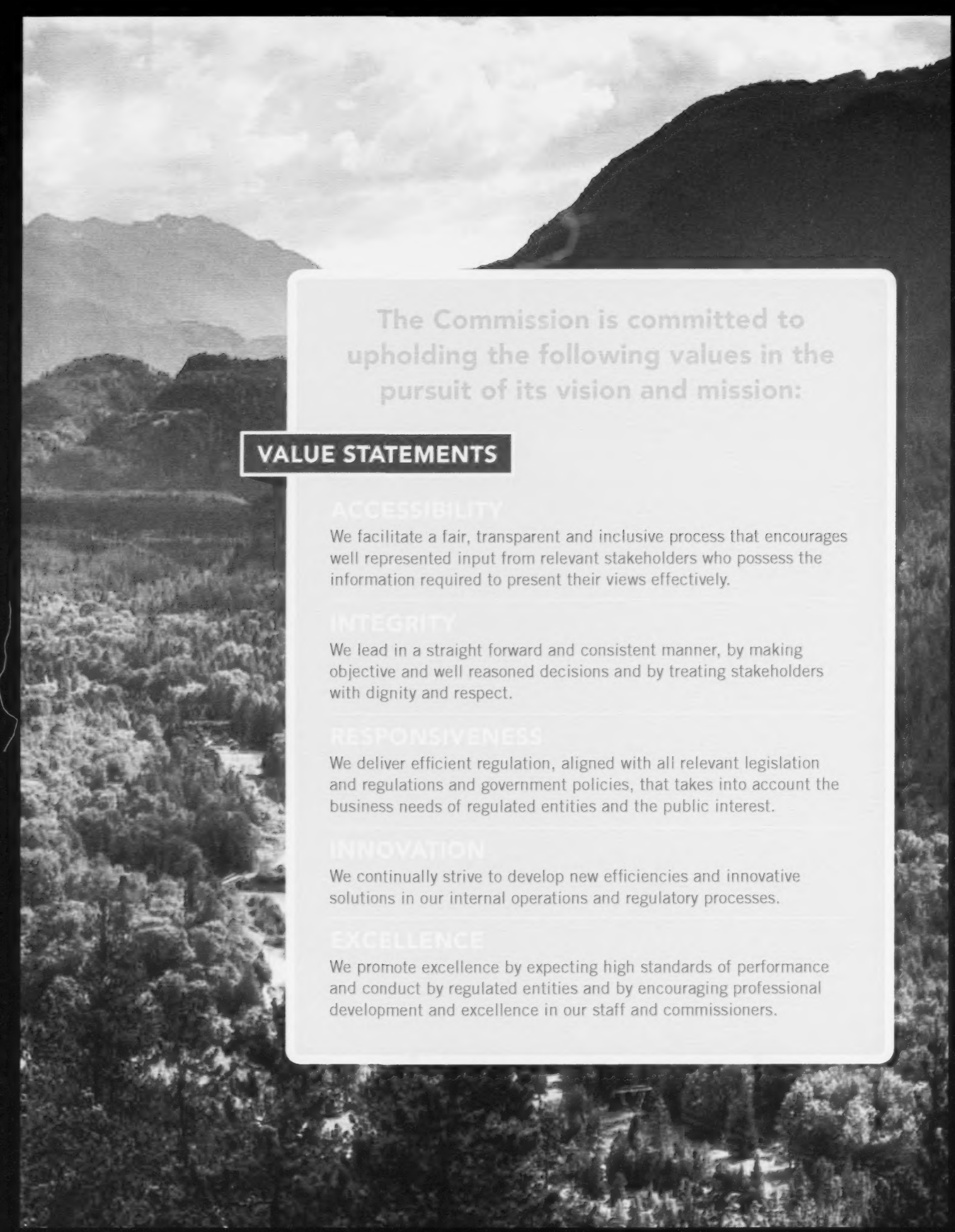


VISION

To be a trusted and respected regulator that contributes to the well-being and long-term interests of British Columbians.

MISSION

The Commission's mission is to ensure ratepayers receive safe, reliable, and non-discriminatory energy services at fair rates from the utilities it regulates, and that shareholders of those utilities are afforded a reasonable opportunity to earn a fair return on their invested capital.



The Commission is committed to upholding the following values in the pursuit of its vision and mission:

VALUE STATEMENTS

ACCESSIBILITY

We facilitate a fair, transparent and inclusive process that encourages well represented input from relevant stakeholders who possess the information required to present their views effectively.

INTEGRITY

We lead in a straight forward and consistent manner, by making objective and well reasoned decisions and by treating stakeholders with dignity and respect.

RESPONSIVENESS

We deliver efficient regulation, aligned with all relevant legislation and regulations and government policies, that takes into account the business needs of regulated entities and the public interest.

INNOVATION

We continually strive to develop new efficiencies and innovative solutions in our internal operations and regulatory processes.

EXCELLENCE

We promote excellence by expecting high standards of performance and conduct by regulated entities and by encouraging professional development and excellence in our staff and commissioners.

Message from the Chair

Over the past several years, change for the utilities we regulate and in the work of the Commission has been a key theme of my message. This past year was no exception.

Change dominates the Commission's agenda in terms of the diversity of issues before us, our priorities and how we conduct our business. No different from recent years, Commission staff continue to show resilience in dealing with the expanding regulatory agenda and its related challenges. The Highlights section of this report will outline many of the unique matters addressed by the Commission this past year.

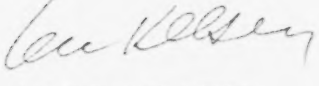
It is important that the decisions of the Commission be clear and understandable. You will have already noticed that steady progress has been made in writing clear and concise Reasons for Decision. This is particularly important given the complexity and volume of issues before the Commission. In support of this continued initiative we are fortunate to be able to work with Dr. Edward Berry, an internationally recognized expert in this field. Dr. Berry regularly provides a decision writing-critiquing service and provides professional advice and coaching on how ongoing improvement can be achieved in our written communication style.

The Commission is a relatively flat organization and small in scale compared to a number of counterparts across the country. Organized around professional disciplines and supported as needed by specialty consultants, the work of Commission staff was becoming isolated, showing limited collaboration, providing little variety and opportunity for professional development and restricting succession planning. At the end of the year the Commission was reorganized into groups focusing on "what we do" rather than "who we are" as professionals. The new organization will ensure that priority setting has greater balance and resourcing challenges are addressed by professional staff with a broader range of knowledge and capabilities. The new divisions: Rates; Energy; Infrastructure; Policy, Planning and Customer Relations; and Performance Monitoring, Conduct and Compliance will support a more collaborative and flexible approach to our work. The divisions are mainly restructured existing areas; however Policy, Planning and Customer Relations, as well as Performance Monitoring, Conduct and Compliance are new divisions separating and providing greater emphasis on the work found within the previous divisions. While the transition phase continues and must be managed for success, it is my opinion that this new collaborative working environment with shared talents working together will lead to an even higher standard and quality in the work of the Commission. The change in organization was implemented around year-end.

The Commission is a learning organization where staff and Commissioners, in addition to their personal formal development, continue to share their professional experience and eagerly participate in development activities, often outside the normal work schedule. This level of commitment to gain knowledge and improve skills is essential if we are to be effective in handling the increasing diversity of matters that come before us. I am incredibly pleased and grateful for the commitment I see across the organization to personal and professional growth.

This Annual Report provides an opportunity to formally thank Commission staff and Commissioners for their contributions. The success of the Commission in carrying out its work on behalf of the citizens and businesses of British Columbia is the result of their ongoing dedication, professionalism and commitment to public service. I also thank the many stakeholders who participated in Commission processes this past year.

The content of the Annual Report details at a high level the work of the Commission over the past year and fulfills the reporting requirements of the *Utilities Commission Act* as well as the *Budget Transparency Act*. It is with respect that I submit this Report to the Lieutenant Governor in Council.



Len Kelsey, Chair/CEO

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ORGANIZATIONAL Overview

The Commission is an independent agency of the Provincial Government of British Columbia that operates under and administers the *Utilities Commission Act*.

About Us

We are passionate about our mission of ensuring ratepayers receive safe, reliable and non-discriminatory energy services at fair rates from the utilities we regulate, and affording shareholders a reasonable opportunity to earn a fair return on their invested capital. Our decisions are made in compliance with all relevant legislation and regulations and consider government policies, business needs of regulated bodies, and public interest.

The Commission:

- regulates electric and gas utilities within our jurisdiction and in accordance with relevant legislation
- ensures ICBC's basic insurance rates are adequate, efficient, just and reasonable
- adopts mandatory reliability standards that are in the public interest and supervises compliance by utilities with these standards
- reviews questions and complaints about the actions of regulated utilities and ICBC, and adjudicates gas marketing disputes
- establishes tolls and conditions of service for intra-provincial oil pipelines
- reviews energy-related and basic automobile insurance matters referred to it by Cabinet
- encourages public participation in our public processes
- ensures stakeholders have the information they need to participate effectively by making all relevant materials publicly available

We regulate energy utilities, the Insurance Corporation of British Columbia's (ICBC) universal compulsory automobile insurance rates (also referred to as Basic Insurance) and intra-provincial pipelines in BC.

We take our responsibilities under the *Administrative Tribunals Act* seriously and work to maintain processes that are fair, transparent and inclusive. We are committed to issuing principled decisions based on sound evidence brought forward by well-represented parties.

Senior Management Team (left to right) : Doug Chong, Viki Vourlis, Len Kelsey, Philip Nakoneshny, Mark Thomas & Alanna Gillis

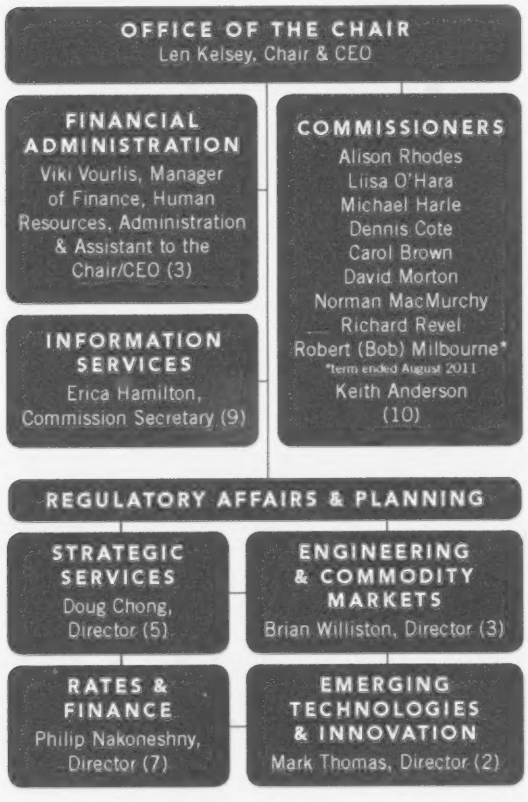
Our values of openness, fairness and transparency influence how we carry out all of our activities. We perform our regulatory responsibilities in alignment with the Commission's vision of being a respected regulator of public utilities and ensuring reasonable service at fair rates.

Continuous learning is another core value of the Commission. Staff are encouraged to develop skills and expertise in unique areas relating to the work of the Commission. Commission staff and stakeholders conduct Lunch and Learn sessions on various matters, such as emerging issues in energy regulation, new technologies, and alternative energy sources. All members of the Commission are encouraged to attend these sessions. Staff and Commissioners also participate in conferences, courses and workshops to develop and maintain industry knowledge. In addition, because the Commission's product is its written decisions, staff and Commissioners attend workshops to improve their writing capabilities and deliver on the objective of writing clear, well-reasoned decisions.

Organizational Structure

The Commission is made up of several divisions and Commissioners, all reporting to the Chair and CEO. In order to best address the complexity and diversity of issues that come before us, we have adopted an interdisciplinary approach to our work. A Hearing Team is assigned to each application that goes to a public hearing. Hearing teams are comprised of staff with a variety of skills and expertise appropriate to the details of the application. Independent of the staff team, a panel of Commissioners, acting as a division of the Commission, make the necessary decisions in the matter. Members of the hearing teams have diverse backgrounds and are skilled professionals in business, economics, engineering, law, accounting and administration.

The organizational chart below provides an overview of the Commission's structure:



Finance, Human Resources & Administration *(left to right) ; Sheena Zyp, Viki Vourlis, Kevin Wong & Kim Brooks*

Commissioners *(left to right) ; Dennis Cote, David Morton, Richard Revel, Alison Rhodes & Lissa O'Hara*

Information Services Group *(left to right) ; Laura Sharpe, Yvonne Lapierre, Erin Murphy, Mark Hudson, Daniela Guest, Alanna Gillis & Cristina Barrero*

Commissioners *(left to right) ; Keith Anderson, Michael Harle, Carol Brown, & Norman MacMurchy*

Financial Administration Office

The Financial Administration Office provides a range of financial, human resource and administration services to the Commission. The department provides recommendations and decision support for financial and human resource policies.

Information Services Group

The Information Services Group is led by the Commission Secretary who fulfils statutory duties in the *Utilities Commission Act* and acts as the official Commission representative. The Information Services team carries out receipt, log and dispatch function for all incoming and outgoing correspondence. The department is the communications "hub" of the Commission and responds to requests for information; receives and investigates utility customer complaints; prepares periodic reports and quarterly regulatory updates; provides website administration and library services; and maintains the Commission's information resources and databases.

Commissioners

The Commissioners are the decision-makers of the Commission and are appointed by the Lieutenant Governor in Council or by the Chair as prescribed in the *Administrative Tribunals Act*. The Commissioners hold a variety of personal and professional backgrounds in business administration, commerce, law, finance, economics and engineering.

Divisions of Regulatory Affairs & Planning:

1 Strategic Services | **2** Rates & Finance | **3** Engineering & Commodity Markets | **4** Emerging Technologies & Innovation

Strategic Services Department *(left to right) ; Leon Cheung, Jackie Ashley, Doug Chong, Alison Richter & Eileen Cheng*

Rates & Finance Department *(left to right) ; Yolanda Domingo, Suzanne Sue, Phillip Nakoneshny & Claudia McMahon*

Engineering & Commodity Markets Department *(left to right) ; Todd Smith, Cathy Marr, Don Hintoft & Roy Bishop*

Emergies Technologies & Innovation Department *(left to right) ; Tatiana Obrejanu & Mark Thomas*

Regulatory Affairs and Planning is made up of four Divisions: Strategic Services; Rates and Finance; Engineering & Commodity Markets; and Emerging Technologies and Innovation. The divisions consist of staff specialists with experience and professional expertise in accounting, economics, ratemaking, business management and engineering. Staff in these divisions are responsible for ensuring the development of a full record of evidence for any matter under review by the Commission. Commission staff also advise Commissioners on technical matters and may provide external expert witnesses to testify at public hearings.

Commissioner Biographies

Leonard F. Kelsey, Chair and Chief Executive Officer

Vice President British Columbia Automobile Association (18 years); Chief Operating Officer, BCAA Insurance Corporation, retired 2002; past Member B.C. Committee, Insurance Bureau of Canada; Public Administrator and past Chair, North Shore Health Region; independent Business Consultant. Prior to appointment as Chair, served as a Commissioner for the British Columbia Utilities Commission from 2003-2008; appointed Chair and CEO July 2008.

Alison A. Rhodes, Commissioner

Bachelor of Arts, Economics, University of British Columbia; Bachelor of Laws, Master of Business Administration, University of Western Ontario; called to British Columbia Bar 1984; Practiced law (civil litigation) 1984 to 2004; Vice President, Jardine Lloyd Thompson Canada - 2004 to 2008; appointed December 2007.

A.W. (Keith) Anderson, Commissioner (Part-time)

Bachelor of Commerce, University of Alberta; Chartered Accountant; retired from PricewaterhouseCoopers as partner responsible for PwC's energy utilities practice in Canada; over 35 years experience as a strategic planning, financial, and regulatory consultant in the energy and other sectors including gas, electric and pipeline utilities, financial institutions, telecommunications and transportation companies; independent financial and management advisory consultant serving as a director of and advisor to private corporations; appointed July 2006.

Carol A. Brown, Commissioner (Part-time)

Bachelor of Laws, University of Western Ontario; Master of Arts, Leadership, Royal Roads University; Certified General Accountant; Master of Arts, Human Development, Fielding Graduate University. Director, Prince George Airport Authority; CBA Benevolent Society; and past member of Environmental Appeal Board and Forest Practices Appeal Commission; Past Director with ICBC; appointed November 2010.

Commissioner ; *Dennis Cote*

Commissioner ; *Richard Revel*

Commissioner ; *Lisa O'Hara*

Dennis A. Cote, Commissioner (Part-time)
Bachelor of General Studies, Simon Fraser University; retired in 2007 as the Vice President, Product Development and Support for the British Columbia Automobile Association; held various other executive roles with the BCAA which include Vice President Sales, Director of Travel Services; Merchandise Investment Manager and Store Manager with the Hudson Bay Company, BC Region; Vice President and board member with the Alliance of Canadian Travel Agents of British Columbia; appointed October 2008.

Michael R. Harle, Commissioner (Part-time)
Bachelor of Commerce, Carleton University; Chartered Accountant, Ontario and Alberta; Certified Management Consultant, Alberta. Over forty years experience as a professional consultant and business executive; retired from IBM as Partner responsible for IBM Global Business Services for the Alberta and Saskatchewan public sectors in health, and education. Spent 35 years with PricewaterhouseCoopers Consulting and its predecessor companies where he was partner responsible for public sector services in the Prairie Provinces and northern Canada; appointed December 2008.

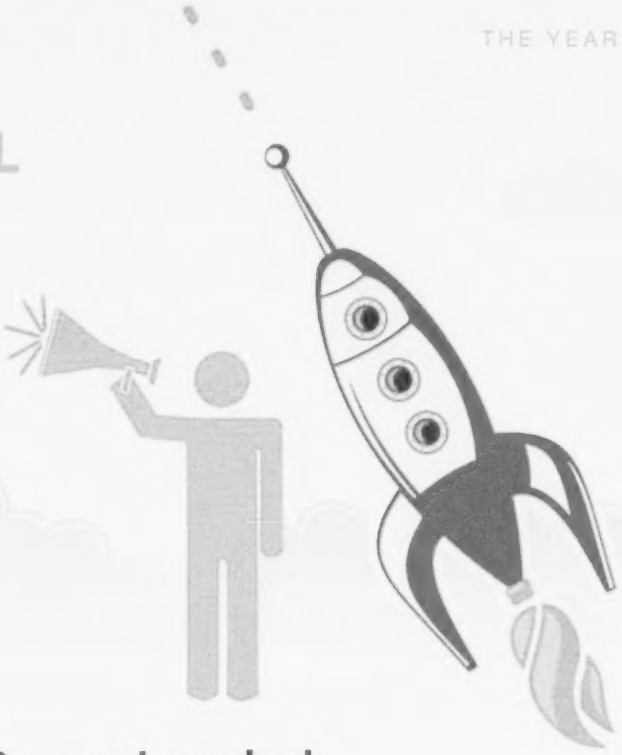
Norman E. MacMurchy, Commissioner (Part-time)
Honours Bachelor of Arts, Economics and Commerce, Royal Military College of Canada; Master of Arts, Economics, University of Western Ontario; retired 2006 as Executive Director, Industrial Gas Consumers Association of Alberta. Held various positions with the Alberta and federal governments including Chair, Alberta Petroleum Marketing Commission; Assistant Deputy Minister, Sustainable Energy Development Division, Alberta Department of Energy and Natural Resources; and Chief, Policy Analysis and International Division, National Energy Board; appointed November 2010.

David Morton, Commissioner (Part-time)
Bachelor of Arts, Sciences, University of Toronto; Professional Engineer (British Columbia); Licensed Accountant, Society of Management Accountants Canada; Information Technology consultant since 1993; over 25 years of experience in the Information Technology sector, including 20 years of experience providing Project Management, Senior Business and Technical Analyst services; appointed November 2010.

Liisa A. O'Hara, Commissioner (Part-time)
Master of Sciences, Business Administration, University of British Columbia; Certified General Accountant; senior pipeline executive, retired from Terasen Pipelines in 2004 as Vice President, Financial Services and Regulatory Affairs after 21 years of service; various financial and regulatory affairs roles at CP Air; Executive-In-Residence at Sauder School of Business; certified with the ICD.D designation in 2006; serves as a professional corporate director on various corporate boards; appointed January 2005.

Richard D. Revel, Commissioner (Part-time)
Bachelor of Science, Notre Dame University of Nelson; Doctor of Philosophy, Plant Ecology, University of British Columbia; currently Professor Emeritus, University of Calgary; retired in 2008 as Professor of Environmental Science at the University of Calgary; specialized in the technical and economic aspects of resource development and management and has held appointments to the National Energy Board of Canada and with the Ministries of Energy and Mines and Environment in Ecuador under the auspices of the United Nations Development Programme; appointed 2011.

OPERATIONAL Highlights



Streamlined Review Process Launched:

The launch of the Streamlined Review Process in March 2012 delivers on the Commission's desire to enhance regulatory efficiency and effective resolution of issues arising from applications by regulated entities.

The Commission piloted the process for the review of two applications prior to releasing draft guidelines for review by stakeholders in January 2012.

In the Streamlined Review Process, the utility (or applicant), interveners, Commission staff, and Commissioners come together for a transcribed oral hearing process. In the process, the utility makes a presentation on their application; interveners and Commission staff may ask information requests to which the utility responds, and the utility and interveners make oral final and reply arguments. There may also be a written round of information requests before the oral hearing process.

The Streamlined Review Process expedites the flow of information between the utility, interveners and the Commission and allows for a real-time question and answer period to facilitate understanding of the application. The process is transcribed and forms part of the evidentiary record. The process is intended for relatively small applications with a limited number of issues and may be used in combination with a public hearing or negotiated settlement, in more complex applications where appropriate. When used effectively, an application that would have been heard over many weeks or months under a written hearing process may be heard over the course of days using the Streamlined Review Process.

2010: BCUC annual greenhouse gas inventory baseline established

F2012
GREENHOUSE GAS EMISSIONS
11.5%

Carbon "Lite" Activity

The 2007 *Greenhouse Gas Reduction Targets Act* requires that BC public sector organizations be carbon neutral for the 2010 calendar year and thereafter. The Commission is a public sector organization that falls outside the requirements of the *Greenhouse Gas Reduction Targets Act* ; however, as the energy regulator in the Province, reducing greenhouse gas emissions is a priority for the Commission.

The Commission's annual greenhouse gas inventory baseline was established in 2010 in accordance with the *Greenhouse Gas Reduction Targets Act* and the *Carbon Neutral Government Regulation*. In F2012, total greenhouse gas emissions were down 11.5% from two years ago. Significant greenhouse gas reductions have been realized from reduced air travel and paper consumption. Currently, heat and power account for 55% of the Commission's overall emissions, followed by business travel (40%) and paper use (5%). The Commission is committed to continue tracking its greenhouse gas emissions, setting reductions targets and identifying additional strategies to meet them.

Generic Cost of Capital Proceeding Initiated

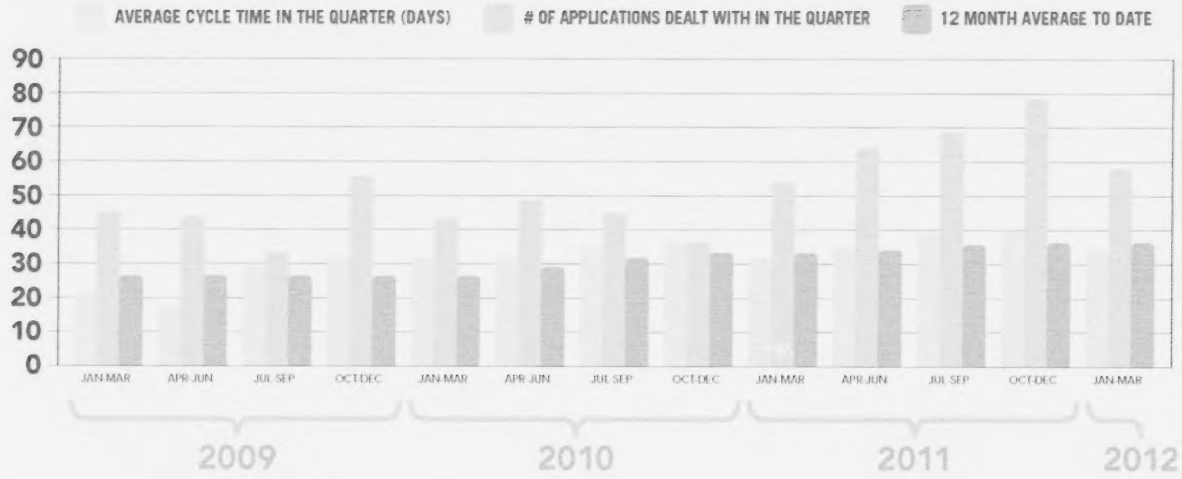
On November 28, 2011, the Commission notified stakeholders that a Generic Cost of Capital review would occur for all regulated utilities. On February 28, 2012, the Commission established a proceeding to review the criteria listed below:

- the setting of the appropriate cost of capital for a benchmark low-risk utility;
- the possible return to a return on equity automatic adjustment mechanism; and
- the establishment of a deemed capital structure and deemed cost of capital methodology, particularly for those utilities without third-party debt.

By close of F2012 the proceeding was ongoing.

Revised Negotiated Settlement Process Guidelines

During the year, the Commission revised the Negotiated Settlement Process Guidelines which had been in place since January 2001. The Commission initiated a process in January 2011 by holding a stakeholders meeting for review. After receiving comments from participants in the meeting, the Commission issued draft guidelines for comment by stakeholders. Final Negotiated Settlement Process Guidelines were approved in February 2012. The most notable change to the guidelines is that Commission staff's role may be as an Active Participant, Advisor, Observer or Facilitator. The appropriate role will be established by the Commission Panel prior to the start of negotiations.



Cycle Times for Non-Hearing Applications

The graph above portrays the cycle time - the time elapsed between the receipt of an application and a Commission decision - related to non-hearing applications which are usually straightforward and not controversial. These applications are managed by staff review and analysis, often with supplementary information requests and responses from the utility, but without a formal public review. Average cycle times by quarter decreased compared to past reports.

More complex applications require a public review process, usually through an oral public hearing, a written public hearing, or a negotiated settlement process. Oral public hearings are the most complex process and typically take seven to eight months between receipt of the application and the issuance of the Commission decision. Written hearing process cycle times average about six months, and applications that proceed by way of negotiated settlements take about four months on average between receipt and disposition.

(left to right) : Cristina Barrero & Kim Brooks

Kevin Wong

Utility Customer Inquiries and Complaints

Most complaints and inquiries are resolved through discussions between the customer and the utility concerned. Unresolved issues are often referred to the Commission. The number of complaints and inquiries this year decreased to 280 from 309 reported last year.

Breakdown of 2011/2012 Customer Complaints*

* Utilities with no complaints brought forward to the Commission have not been listed below.

	Total
BC Hydro and Power Authority General Complaints (59) Billing (89) Power Surges / Outages (6) Disconnection / Security Deposit (13)	167
FortisBC Inc.	19
Insurance Corporation of British Columbia	1
Nelson Hydro	2
Pacific Northern Gas Ltd.	1
FortisBC Energy Inc. (formerly Terasen Gas Inc.) General Complaints (27) Billing (32) Disconnection / Security Deposit (16)	75
FortisBC Energy (Vancouver Island) Inc. (formerly Terasen Gas (Vancouver Island) Inc.)	15
Total Complaints/Inquiries	280

(left to right) : Eileen Cheng & Alanna Gillis

Julie Tran

(left to right) : Todd Smith & Kevin Wong

Leon Cheung

ELECTRICITY Highlights

FortisBC Inc. Residential Inclining Block Rate Approved

On March 31, 2011, FortisBC Inc. filed an application for approval of a Residential Inclining Block Rate. An inclining block rate is intended to promote energy conservation by employing a tiered rate structure in which electricity consumption above a certain threshold level is billed at a higher rate. The application was reviewed through a written hearing process.

In its decision dated January 13, 2012, the Commission approved a Residential Inclining Block rate composed of a Customer Charge and two rate blocks separated by a threshold level of consumption of 1,600 kWh per two-month billing period. The rate was approved for implementation by July 31, 2012, on a mandatory basis, to all residential customers with the exception of those taking service at a Time-of-Use rate.

BC Hydro Revenue Requirement Approved Pursuant to Special Direction No. 3

On March 1, 2011, BC Hydro filed its 2012-2014 Revenue Requirements application requesting a 9.73% rate increase in each of the three fiscal years, and for the Deferral Account Rate Rider to remain at 2.5% for the period under review. This application was subsequently put on hold following an April 7, 2011, announcement by the Provincial Government that it would review BC Hydro's operations in order to provide recommendations and options for minimizing the proposed rate increase. The Office of the Auditor General of British Columbia issued a separate report on the effectiveness of BC Hydro's recovery of its regulatory and deferral accounts in October 2011. The Provincial Government's review of BC Hydro's operations was completed August 11, 2011. Following this review, BC Hydro filed an amended Revenue Requirements application requesting an 8% increase in fiscal 2012 and a 3.91% increase in each of fiscal 2013 and 2014 reducing the originally requested rate increase by approximately half. The Commission resumed its review process and completed two rounds of information requests. On May 22, 2012, the Lieutenant Governor in Council issued Special Direction No. 3 requiring the Commission to issue a final order to BC Hydro approving a final rate increase of 8.0%, 3.91%, and 1.44% for fiscal 2012, 2013 and 2014, respectively, and increasing the Deferral Account Rate Rider to 5.0% commencing in fiscal 2013.

Electricity Sales 2011

	Customers (#)	Revenue ($2011)	Sales (GW h)
Crown-Owned Electric Utility			
BC Hydro and Power Authority	1,867,327	3,409,186	49,841
Municipally-Owned Electric Utilities			
City of Grand Forks	2,129	3,770	37.36
City of Kelowna	14,789	31,234	323.2
City of Nelson (urban)	5,729	7,715	93.64
City of Nelson (rural)	4,089	5,302	64.58
City of New Westminster	32,211	33,680	431.00
City of Penticton	17,055	31,170	328
District of Summerland	5,466	9,791	94
Total Municipally-Owned	**81,468**	**122,662**	**1,371.78**
Investor-Owned Electric Utilities			
FortisBC Inc.	113,254	218,640	2,247
Hemlock Utility Services Ltd.	238	257	1.49
Silversmith Light & Power Corporation	11	34	0.08
Corix Multi-Utility Services Inc.			
CMUS – Sun Rivers & Sonoma Pines	1,041	1,155	14.10
The Yukon Electrical Company Limited			
Lower Post BC	1	242	0.6
Total Investor-Owned	**114,545**	**477,322**	**2,263.27**
Total All Electrical Utilities	**2,063,340**	**3,752,176**	**53,476**

Electricity Notes

1. 1 gigawatt hour (GW h) = 1 million kilowatt hours
2. Figures reported are for the 2011 calendar year. Customers reported are as at December 31, 2011.
3. Revenues and sales for BC Hydro and FortisBC Inc. are net of sales to other reporting electrical utilities identified in this table.

NATURAL GAS Highlights

FortisBC Energy Inc. Natural Gas Vehicles

During the past year, FortisBC Energy initiated activities to kick-start the natural gas vehicle market and applied to the Commission for various approvals to do so.

The Commission issued its first decision related to FortisBC Energy's natural gas vehicle initiative with a regulated fuelling station service for return-to-base fleet operators. A decision was issued July 19, 2011, approving the expenditures and rates for the compressed natural gas station at Waste Management of Canada Corporation's site in Coquitlam. This decision also set out the requirements for approval of the General Terms and Conditions under which FortisBC Energy can construct and operate compressed natural gas and liquefied natural gas fuelling stations. General Terms and Conditions for compressed natural gas and liquefied natural gas service were approved by the Commission on February 7, 2012.

In 2011, FortisBC Energy also provided demand-side management incentives to Waste Management and other fleet operators to cover the incremental cost of natural gas powered engines over diesel engines. The Commission decided it was not appropriate for FortisBC Energy to have used the funds it did for incentives for natural gas vehicles because these vehicles are not a demand-side measure within the meaning of the *Clean Energy Act* and *Utilities Commission Act*.

In another natural gas vehicle decision, the Commission granted approval on September 26, 2011, for FortisBC Energy to offer a natural gas fuelling service to the general public at its Surrey Operations Facility.

Sale of Pacific Northern Gas Ltd. to AltaGas

On October 31, 2011, AltaGas Utility Holdings (Pacific) Inc. applied for approval to acquire the issued and outstanding common shares of Pacific Northern Gas Ltd. which would also cause AltaGas to have indirect control of PNG's wholly owned subsidiary PNG (N.E.). On the same date, PNG applied to register a transfer of its common shares to AltaGas.

The Commission piloted a Streamlined Review Process to review the applications and on November 23, 2011, the Commission approved the registration of a transfer of PNG's common shares to AltaGas and the AltaGas acquisition of PNG's shares with conditions that included reports on service metrics.

Natural Gas Commodity Prices

The Commission sets the commodity price for natural gas and propane for the utilities under its jurisdiction. Market prices for natural gas continued a decline to historic lows due to reduced demand for gas and a surplus of North American supply arising from the continuing shale gas boom. During the year, wholesale gas prices for the western Canadian market declined by over 40%. The approved commodity cost of gas to customers also declined but lagged the true market price as commodity rates are approved on a quarterly basis and approved thresholds must be achieved before gas cost changes are passed through to the customer. Propane prices, in contrast to natural gas prices, continued to experience volatility and increased in connection with rising oil prices.

FortisBC Energy Inc.
2012-2013 Revenue Requirements Applications Approved

On May 4, 2011, FortisBC Energy applied for approval of its 2012 and 2013 Revenue Requirements. The application was filed and reviewed during a period of continuing change in Provincial Government energy policy and regulation. The Commission reviewed the application through an oral public hearing and issued a decision on April 12, 2012.

The request in increases in delivery charges for 2012-2013 for the Mainland, Whistler and Fort Nelson Utilities and the approved increases in delivery charges for 2012-13 are summarized in the table below. The requested increases are in the columns identified "As Filed" and the Approved Rate Increases as "BCUC Order No. G-44-12."

Revised Delivery Rate Impacts

	BCUC Order No.G-44-12			As Filed			CHANGE		
Utility Region	2012	2013		2012	2013		2012	2013	
Mainland	4.19%	5.93%	**10.12%**	5.59%	6.29%	**11.88%**	-1.40%	-0.36%	**-1.76%**
Whistler	3.58%	5.53%	**9.11%**	5.02%	6.54%	**11.56%**	-1.44%	-1.01%	**-2.45%**
Fort Nelson	0.00%	1.84%	**1.84%**	0.00%	1.32%	**1.32%**	0.00%	0.52%	**0.52%**

Natural Gas Sales 2011

Investor-Owned Natural Gas Utilities

FortisBC Energy Inc.			
Lower Mainland Division	591,964	984,790	123,739
Inland Division	232,901	290,639	48,966
Columbia Division	22,799	31,521	9,495
Fort Nelson Division	2,435	4,499	621
Revelstoke	1,562	4,387	220
FortisBC Energy (Vancouver Island) Inc.			
Vancouver Island, Powell River and Sunshine Coast areas	102,104	205,410	19,748
FortisBC Energy (Whistler) Inc.	2,649	12,176	737
Pacific Northern Gas (N.E.) Ltd.			
Fort St. John Inc./Dawson Creek Division	17,807	26,726	4,246
Tumbler Ridge Division	1,198	1,390	1,040
Pacific Northern Gas Ltd. (Kitimat/Terrace/Prince Rupert)	20,570	43,146	4,122
Corix Multi-Utility Services Inc.			
Sun Rivers, Sonoma Pines	778	373	28
CMUS - Panorama	210	943	36
CalGas Inc. – Kelowna	13	372	20
CalGas Inc. – Canyon Ridge	23	20	1
Big White Gas Utility Ltd.	353	1,041	41
Peak Area Gas Inc.	248	429	13
Sun Peaks Utilities Co. Ltd.	884	1,900	79
Synger Utilities Ltd.	266	249	38
Total All Gas Utilities	**998,764**	**1,610,011**	**213,190**

Gas Notes

1. 1 gigajoule (GJ) is approximately equivalent to 0.910 mcf (mcf = one thousand cubic feet) or 0.0258 $10^3 m^3$ of natural gas or 0.376 mcf of propane vapour in L.P. gas grid systems.
2. Figures reported are for the 2011 calendar year. Customers reported are as at December 31, 2011.
3. Sales of GJ shown include sales to end-use customers plus gas owned by customers and transported to their industrial operations by utilities.
4. Revenues reported for natural gas utilities include only transportation margins for large industrial customers who have purchased gas supplies directly from producers or aggregators.

CUSTOMER CHOICE Highlights

Since 2003 natural gas marketers have been authorized to market natural gas to commercial customers and since 2006 to residential customers through the Customer Choice Program.

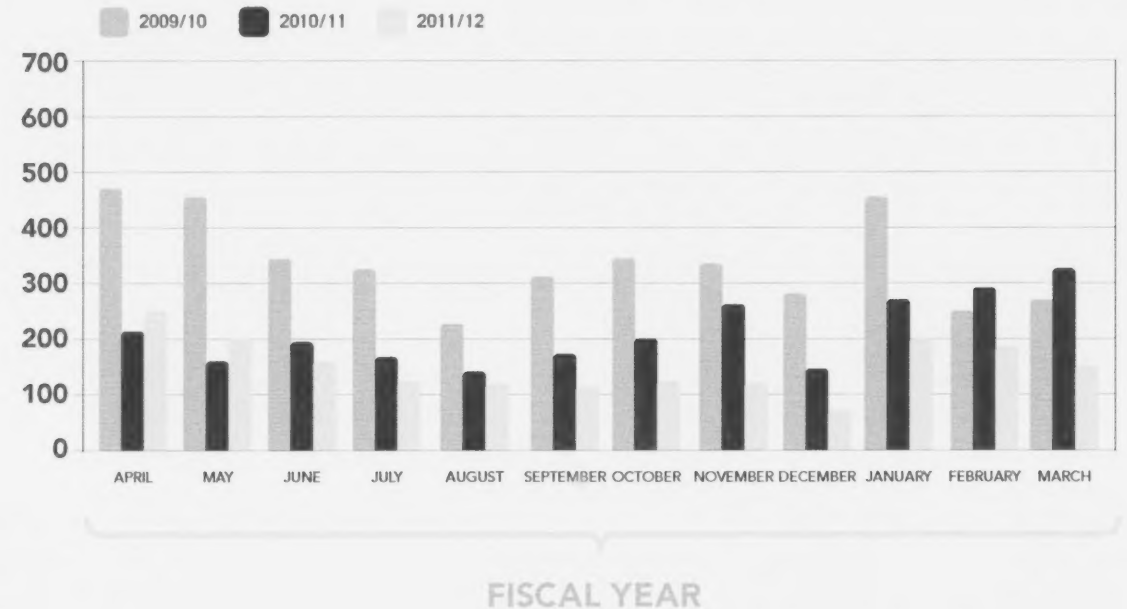
The Commission's role in this program is to license the marketers, establish the Rules and Code of Conduct the marketers must adhere to, and adjudicate disputes and complaints customers file against marketers.

In 2011, substantial revisions were made to the Customer Choice Program under revised Rules for Gas Marketers and a revised Code of Conduct. The revised Rules for Gas Marketers were approved on July 21, 2011, by Order A-11-11. As part of the Rules, the License Application form and proof of financial security documents were amended.

The Code of Conduct was revised on May 26, 2011, by Order A-9-11, which made significant changes to the Customer Choice Program including:

- Elimination of the evergreen provision (under which gas marketing contracts could be automatically renewed);
- Requirement for a verification call to commercial customers;
- Amended rules for renewed and extended contracts; and
- Establishment of a working group to create a new dispute resolution process.

Gas Marketer Customer Disputes



The Commission adjudicates those disputes and complaints that customers are not able to resolve directly with the gas marketer.

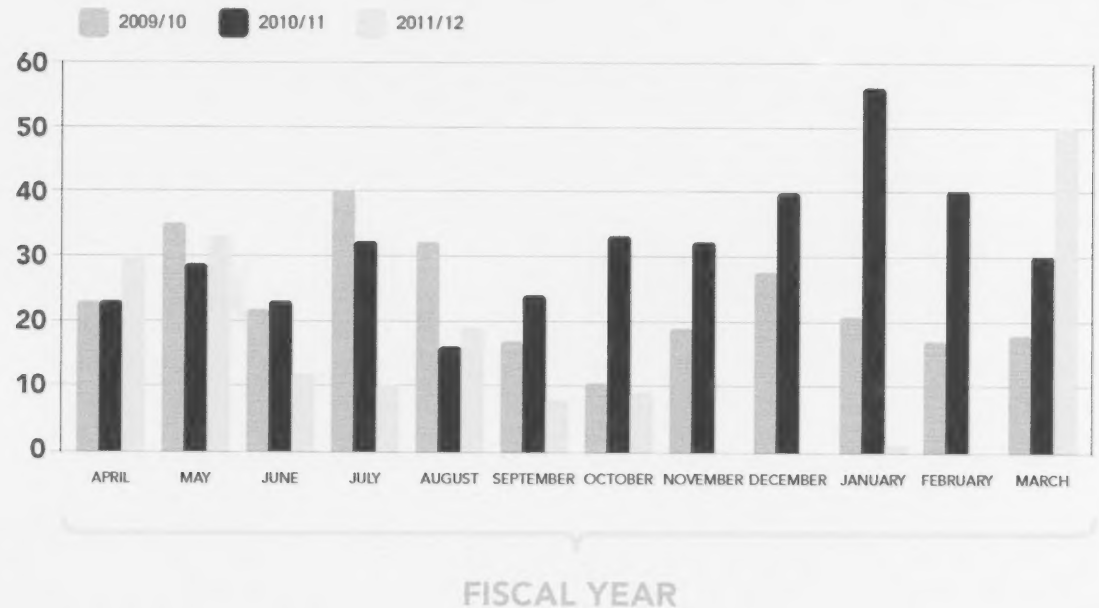
The Commission's dispute process is available for customers who have signed a contract with a gas marketer and wish to dispute their contract. Contracts may be disputed for a number of reasons, including confusion on contract term and contract price, validity of the contract, and issues on gas marketers' compliance with the Code of Conduct. Some disputes are successfully resolved directly between the customer and the gas marketer and customers are advised to attempt resolution of their dispute directly with the gas marketer prior to seeking third party resolution from the Commission by lodging a dispute through the dispute resolution process.

In the fiscal year 2011, the Commission received 1,839 disputes through the dispute resolution system. This figure includes disputes adjudicated by the Commission and some non-contested disputes in which the gas marketer agreed to cancel a customer's contract of their own accord, without a Commission determination. In adjudicated disputes, the Commission determination could either uphold the validity of a customer contract or order the cancellation or termination of a contract where non-compliance with the Code of Conduct is identified.

The Commission's complaint process is available for members of the public with a general complaint or concern about a gas marketer's customer service, salesperson conduct or marketing practices, or about the Customer Choice program administration. Complaints can be from members of the public who may or may not have entered into an agreement with a gas marketer. In the fiscal year 2011, the Commission processed a total of 129 written complaints. This figure represents the number of originating written complaints received from the complainants and does not include secondary responses from the complainants, gas marketer responses, follow-up telephone enquiries, or Commission correspondence related to each complaint. There are instances when customers request to revisit a written complaint filed previously if they are not satisfied with the resolution received; customer requests to review complaints that were previously filed with the Commission are not included in the figure.

CUSTOMER CHOICE

Gas Marketer Customer Complaints



BASIC AUTOMOBILE INSURANCE Highlights

On December 1, 2011, ICBC submitted a Revenue Requirements application for an 11.2% Basic Insurance rate increase for the policy year commencing February 1, 2012.

ICBC also requested that the rate increase be made on an interim basis for all new and renewal Plate Owner Basic and Fleet Reporting Policies with an effective date on or after February 1, 2012, pending a public hearing of the application.

After reviewing stakeholder submissions, the Commission, on December 16, 2011, approved the requested 11.2% Basic Insurance rate increase effective February 1, 2012, to apply on an interim basis. By the end of F2012 the proceeding was ongoing.

ALTERNATIVE ENERGY
Highlights

GEO-EXCHANGE
SOLAR THERMAL
DISTRICT ENERGY SYSTEMS
NATURAL GAS VEHICLES
BIOMETHANE

Alternative Energy Services Inquiry Initiated

As part of its transformation from a traditional natural gas distribution company to a more comprehensive energy utility, FortisBC Energy Inc. indicates that it intends to broaden its service offerings to include Alternative Energy Services. On May 24, 2011, the Commission established an Inquiry into FortisBC Energy Inc. offering products and services in alternative energy solutions and other new initiatives. Technologies under review in the Inquiry include geo-exchange, solar thermal and district energy systems, natural gas vehicles and biomethane. The Commission established Terms of Reference which state the Inquiry is a forward looking assessment with the aim to establish principles that can be applied to future regulatory processes in the area of alternative energy services and other new initiatives. By the end of F2012 the Inquiry was ongoing.

FortisBC Energy Inc. Delta School District CPCN Approved

FortisBC Energy Inc. filed its first alternative energy services application on November 28, 2011, with its application for a Certificate of Public Convenience and Necessity for the construction and operation of geo-exchange loops with natural gas boiler back-up at 19 individual sites for the Delta School District. The application requested approval of an estimated capital cost of $6.5 million and cost-of-service based rates and rate design.

The Certificate was conditionally approved on March 9, 2012, with the condition that the project is completed by an affiliate to FortisBC Energy Inc. because the issue of having the traditional natural gas utility own and operate geo-exchange loops is an issue in the ongoing Alternative Energy Services Inquiry.

The Commission denied the proposed rate and rate design and directed FortisBC Energy Inc. to file a modified rate and rate design following a number of requirements and revisions set out by the Commission, within 30 days. The Commission also indicated that this 30-day window was an opportunity for Delta School District to reconsider and renegotiate the rate with FortisBC Energy Inc. based on the deficiencies the Commission identified. At year end the decision making was still in progress.

UniverCity ; *A complete community located at the top of Burnaby Mountain beside Simon Fraser University*

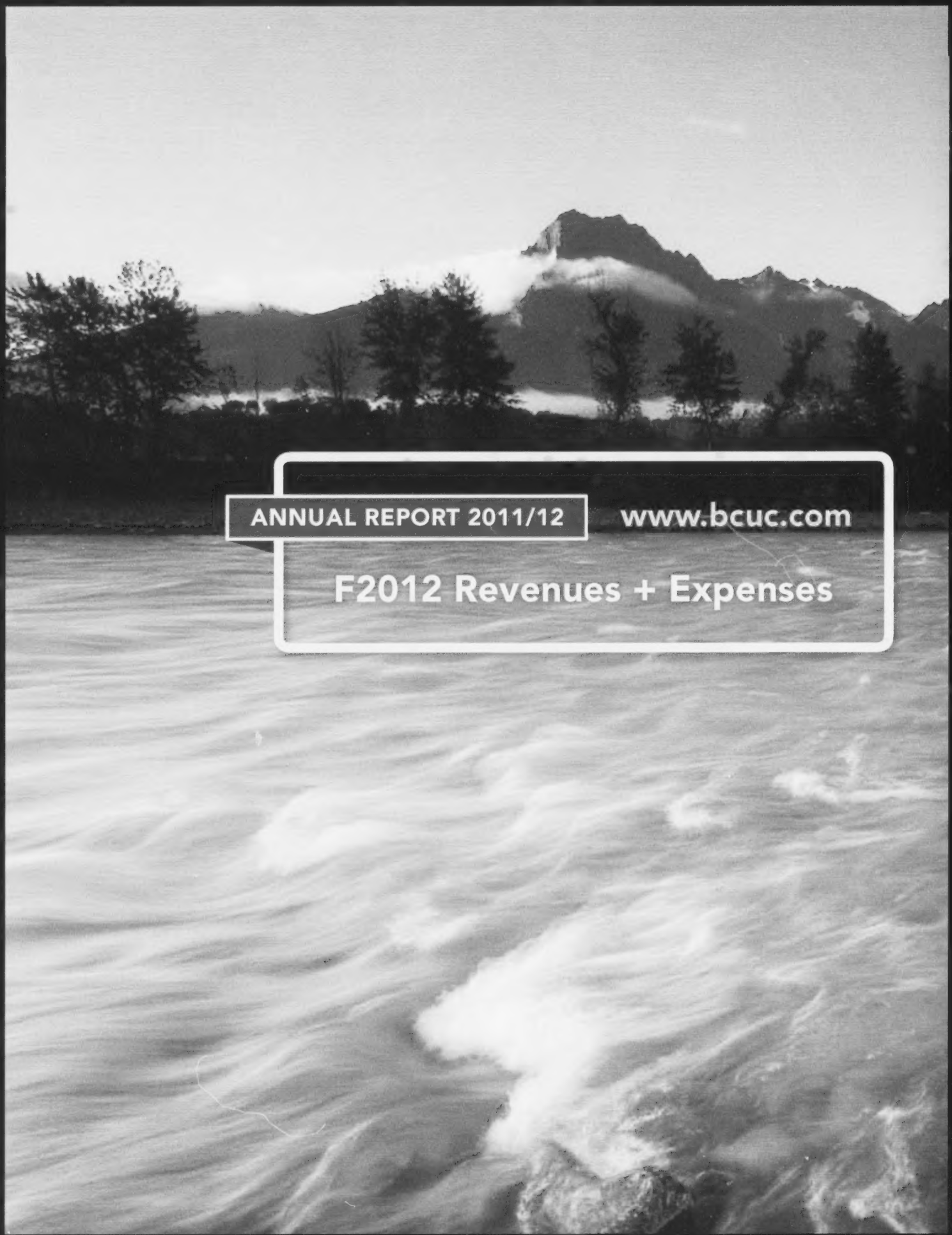
Corix Neighbourhood Utility Service at UniverCity CPCN Approved

On November 26, 2010, Corix Multi-Utility Services Inc. applied for a Certificate of Public Convenience and Necessity to construct and operate an alternative energy-based district energy system for the UniverCity residential community on Burnaby Mountain potentially using biomass as the fuel source for the eventual permanent energy plant. The total capital costs for a temporary and permanent central energy plant were forecast to be $12.215 million over the nine year development period. This cost will be offset by a $2.223 million contribution from the developers and a potential capital incentive of $1.3 million from BC Hydro's Power Smart Sustainable Communities Program.

The Commission approved the natural gas fuelled temporary central energy plant but not the permanent plant until Corix has more certainty on factors that are not known at this time such as the eventual fuel source to be employed, the actual technology to be implemented, and the potential to serve the additional campus load.

River District CPCN Approved

In July 2011, River District Energy Inc. applied for a Certificate of Public Convenience and Necessity for a district energy utility and for approval of a rate design and rates for the first five years of operation. The application was heard through a written hearing process. The River District Development is being constructed on 130 acres of former industrial land located along the Fraser River in southeast Vancouver, BC. The district energy utility will provide hot water through buried insulated pipes from a central plant to all economically connectable buildings in the development for heating and domestic hot water demand. The Certificate was approved in December 2011 but River District Energy was directed to re-submit its rate application. The company re-submitted in January 2012, and the Commission approved the rates River District Energy would charge for thermal energy for the first five years of operation.



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F2012 Revenues + Expenses

F2012 Revenues + Expenses

The Commission is authorized to recover its costs from regulated entities and pipeline companies by fixing levies according to section 125 of the *Utilities Commission Act* and parameters set out in Levy Regulation, BC Reg. 283/88.

The Commission recovers most of its costs by way of a "per gigajoule" levy assessed on each regulated utility, based on the amount of energy the utility sold in the previous calendar year (the calculation is provided below). Entities who do not sell power, such as ICBC are billed by way of a set rate. The rate is reviewed to ensure appropriate annual regulatory costs are applied. Revenues are also collected from intra-provincial petroleum pipeline companies and natural gas marketers.

The Commission also recovers proceeding costs directly from utilities for Commission expenditures attributable to public hearings and other proceedings under the *Utilities Commission Act*. Direct recoveries have varied significantly from year to year, depending on the number and duration of regulatory hearings and inquiries.

Summary of F2012 Recoveries & Expenses

Total Recoveries:	$	6,643,374.22
Less Expenses:	$	6,759,835.54
Deferred Recovery	$	(116,461.32)

Recoveries

Commission revenues recovered are listed on the next page. Corresponding Levy Orders for the figures are G-80-11 for F2011 and G-52-12 for F2012. If applicable, deferred revenues or expenses are applied as a credit or debit to the utilities in the Levy Order the following fiscal year.

Levy Calculation for F2013

The Commission's costs are expected to be recovered by a levy of $0.0113191801/GJ for F2013.

2012/13 BCUC Budget	$	6,674,000.00	
Plus: 2011/12 Deferred Recovery	$	116,461.32	
	$	6,790,461.32	
Less estimated recoveries from:			
Natural Gas Marketers	$	-15,000.00	
Intra-Provincial Oil Pipeline Companies & Upstream Gas Processors	$	-20,000.00	
Insurance Corporation of British Columbia	$	-700,000.00	
Expected direct recoveries	$	-1,500,000.00	
Net BCUC Budget to be recovered through the Levy	$	4,555,461.32	
Levy Calculation:	$	4,555,461.32	
	$	402,455,062	= $0.0113191801/GJ

Commission Revenues Recovered

		Amounts Recovered ($) F2011	Amounts Recovered ($) F2012
British Columbia Hydro and Power Authority	$	1,303,591.47	1,470,454.78
British Columbia Hydro Transmission		533,333.33	-
Cal-Gas Inc.		169.86	166.98
Central Heat Distribution Limited		10,177.79	10,841.03
Corix Multi-Utility Services Inc.			
Gas		411.77	459.20
Electric		308.83	359.01
Corporation of the City of Nelson		1,949.30	1,861.83
FortisBC Inc.		59,000.80	65,072.28
FortisBC Energy Inc. (Previously Terasen Gas)			
Revelstoke		1,573.56	1,628.06
Lower Mainland Division		881,857.73	921,256.12
Inland Division		336,975.23	362,172.22
Columbia Division		41,897.63	59,027.58
Fort Nelson Division		4,750.07	4,817.39
FortisBC Energy (Vancouver Island) Inc.		229,253.16	258,969.96
FortisBC Energy (Whistler) Inc.		4,772.13	6,286.81
Hemlock Utility Services Limited		40.44	41.75
Insurance Corporation of British Columbia		533,333.33	700,000.00
Pacific Northern Gas (includes Granisle Grid)		45,427.10	35,040.84
Dawson Creek and Fort St. John		36,140.20	36,276.50
Tumbler Ridge		7,735.40	7,889.83
Port Alice Gas Inc.		90.53	108.54
Port Alice Gas Inc. (Carried Forward from 2010/11 to 2011/12)		-	10.06
Big White Gas Utility		331.35	333.96
Silversmith Power & Light Corporation		-	-
Stargas Utilities Ltd.		302.97	305.88
Sun Peaks Utilities Co., Ltd.		679.43	596.96
The Yukon Electrical Company Limited		32.35	58.44
	$	4,034,135.76	3,944,036.01
Correction to Levy Spreadsheet		0.02	
		4,034,135.78	

Natural Gas Licences

	Amounts Recovered ($) F2011	Amounts Recovered ($) F2012
Access Gas Services	2,000.00	1,000.00
Active Energy ULC	1,000.00	2,000.00
AG Energy Co-Operative/Firefly Energy	1,000.00	1,000.00
AltaGas Ltd	1,000.00	2,000.00
Bluestream Energy Inc.	2,000.00	1,000.00
Cascadia Energy	1,000.00	-
Connect Energy	1,000.00	1,000.00
Direct Energy	2,000.00	1,000.00
Just Energy (BC) Limited	1,000.00	1,000.00
MX Energy	1,000.00	2,000.00
Nexen Marketing	1,000.00	-
Planet Energy Corp	1,000.00	1,000.00
Smart Energy (BC) Ltd	1,000.00	1,000.00
Summitt Energy BC LP	1,000.00	1,000.00
Superior Energy	1,000.00	1,000.00
	$ 18,000.00	16,000.00

Intra-Provincial Oil Pipelines & Other Companies		Amounts Recovered ($) F2011	Amounts Recovered ($) F2012
AltaGas Ltd. – Blair Creek Gas Plant	$	1,000.00	1,000.00
Canadian Natural Resources Limited - West Stoddard Plant (F2011 and F2012)		-	2,000.00
Enerplus Resources - Inga Oil (F2010 and F2011)		2,000.00	1,000.00
Keyera Energy Ltd.		1,000.00	1,000.00
Trans Mountain (Jet Fuel) Inc.		1,000.00	1,000.00
Plateau Pipeline - Blueberry		1,000.00	1,000.00
Plateau Pipeline - Northeast BC & Boundary Lake		1,000.00	1,000.00
Plateau Pipeline - Sunset Prairie		1,000.00	1,000.00
Plateau Pipeline - Taylor to Dawson Creek		1,000.00	1,000.00
Plateau Pipeline - Western System		1,000.00	1,000.00
Spectra Energy - Boundary Lake		1,000.00	1,000.00
Spectra Energy - Jedney I		1,000.00	1,000.00
Spectra Energy - Jedney II		1,000.00	1,000.00
Spectra Energy - Midwinter		1,000.00	1,000.00
Spectra Energy - Peggo		1,000.00	1,000.00
Spectra Energy - Sunrise		1,000.00	2,000.00
Spectra Energy - Tooga		1,000.00	1,000.00
Spectra Energy - West Doe & Hwy Processing & Pipeline Facilities		2,000.00	1,000.00
Spectra Energy - West Doe & Hwy Transportation & Processing Facilities		1,000.00	1,000.00
	$	20,000.00	21,000.00

Miscellaneous & Total Revenues

		Amounts Recovered ($) F2011	Amounts Recovered ($) F2012
Commission Revenues Recovered	$	4,034,135.78	3,944,036.01
Natural Gas Licenses		18,000	16,000
Intra-Provincial Oil Pipelines & Other Companies		20,000	21,000
Recovery of Proceeding Costs from Utilities		2,362,558.49	2,072,283.59
Less: HST Transferred to Provincial Government		(43,972.54)	(104,919.44)
Deferred Recovery		-	116,461.32
Deferred Revenue		335,407.52	694,974.06
Total Revenues	$	$6,726,129.25	$ 6,759,835.54

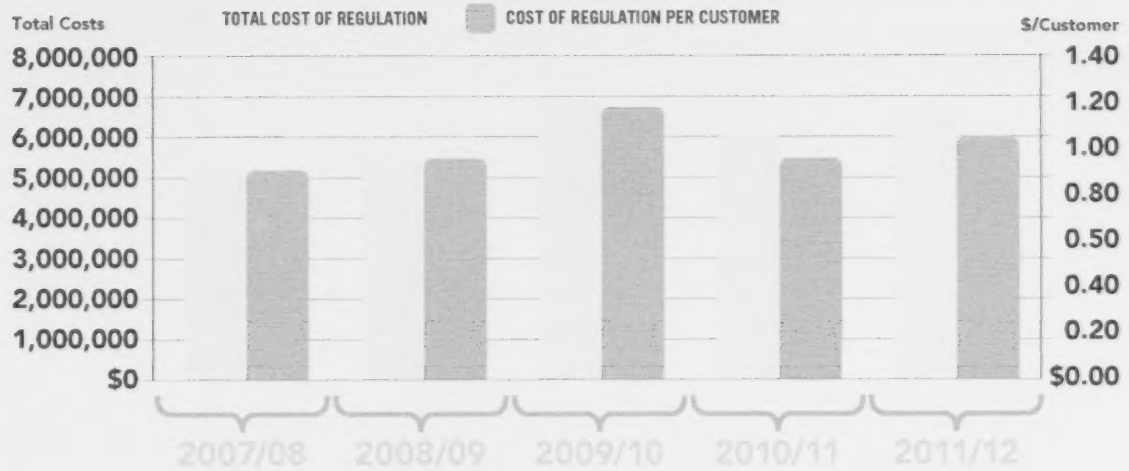
Commission Expenditures

		Amounts Recovered ($) F2011	Amounts Recovered ($) F2012
Salaries & Benefits	$	3,143,469.84	3,408,230.93
Operating Costs		1,503,650.23	1,592,295.55
Professional Services		1,384,035.10	1,759,282.99
Consolidated Revenue Fund		-	26.07
Total Expenditures	$	6,031,155.17	6,759,835.54
Deferred Recovery Carried Forward	$	694,974.06	0.00

Commission Expenditures and Cost of Regulation Per Customer

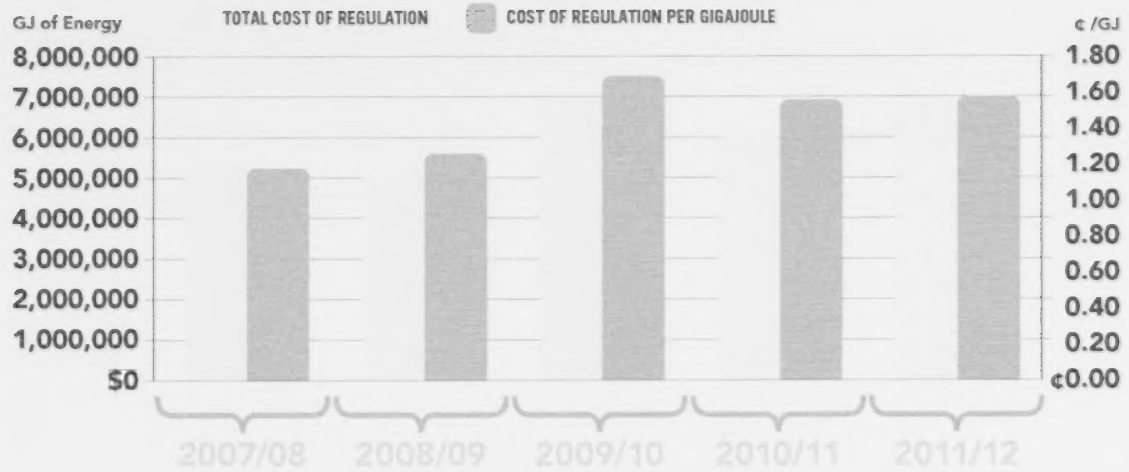
Commission Expenditures and Cost of Regulation per Customer

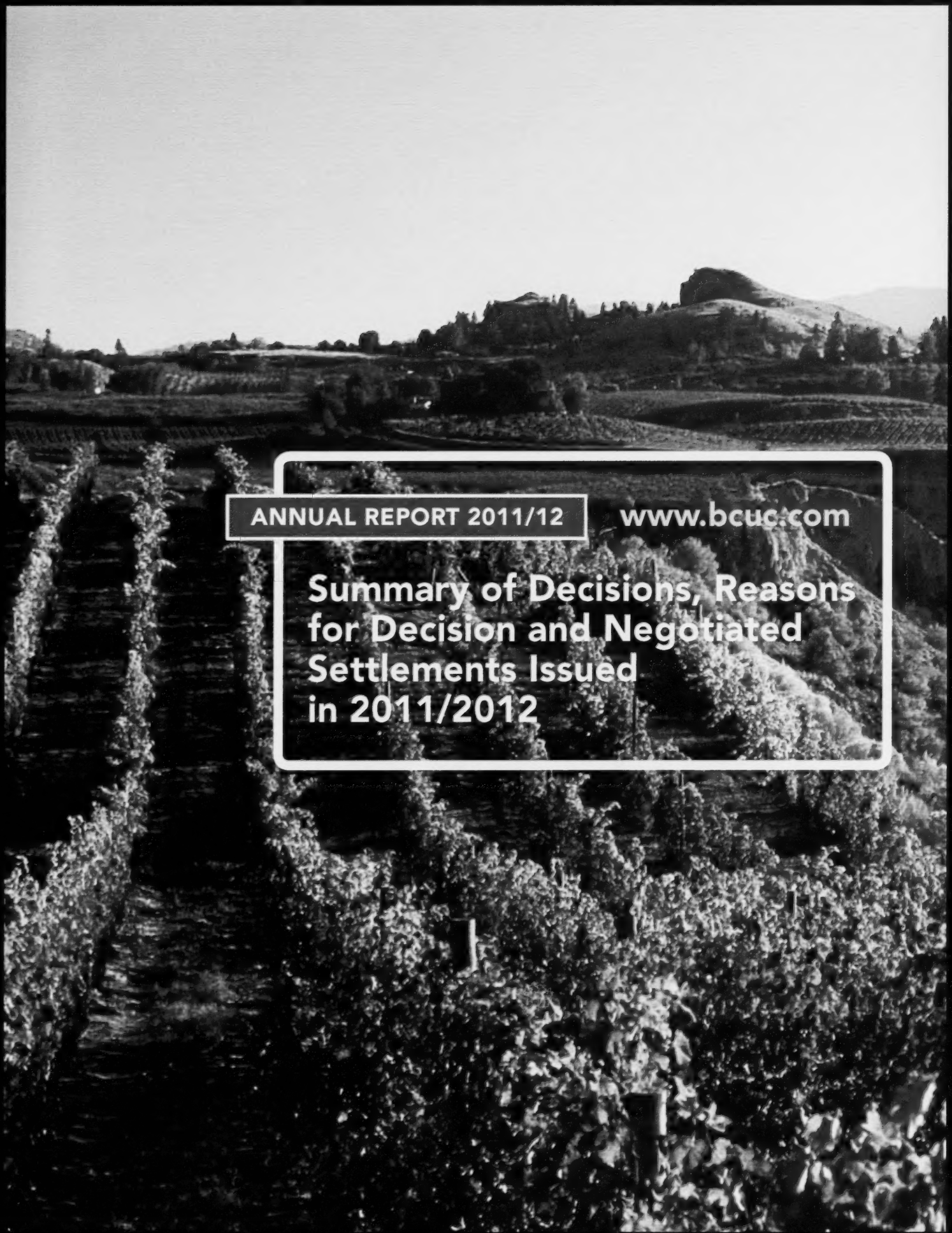
The Commission's total expenditure for the reporting year was $6,759,835.54; an increase of 12% from 2010/11. The cost of regulation per customer is calculated by dividing Commission expenditures by the total number of customers of regulated utilities. ICBC Regulation is included in the graph below.



Cost of Energy Regulation Per Equivalent Gigajoule of Energy Sold (Cents)

The cost of regulation per gigajoule (equivalent) of energy sold is calculated by dividing Commission energy regulation expenditures by the amount of energy sold or transported by utilities in that year. ICBC is not included in the graph below.

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Summary of Decisions, Reasons for Decision and Negotiated Settlements Issued in 2011/2012

Summary of Decisions, Reasons for Decision and Negotiated Settlements Issued in 2011/2012

Electricity
15

Natural Gas
13

Alternative Energy
3

Basic Automobile Insurance
1

Total **Decisions Rendered**
32

British Columbia Hydro and Power Authority / British Columbia Transmission Corporation
Reconsideration of the Interior to Lower Mainland Transmission Project, Order G-77-11 dated May 6, 2011

On March 2, 2011, the Nlaka'pamux Nation Tribal Council, Okanagan Nation Alliance and Upper Nicola Indian Band (NNTC/ONA/Upper Nicola) applied for reconsideration of Order G-15-11, asserting the Commission made errors of fact and law in its assessment of BC Hydro's consultation.

Commission Letter L-11-11 established a written comment process to address phase one of the reconsideration to determine whether the First Nations had established the alleged errors of fact and/or law on a prima facie basis in order to proceed to phase two. Submissions were received from BC Hydro, the Attorney General of British Columbia, Coldwater, Cook's Ferry, Siska and Ashcroft Indian Bands, Stó:lō Tribal Council, and the Hwlitsum First Nation.

Commission Order G-77-11 with Reasons for Decision was issued May 6, 2011, wherein the Commission Panel determined that NNTC/ONA/Upper Nicola, Coldwater et al., Stó:lō Tribal Council and Hwlitsum had not established the alleged errors of fact and/or law on a prima facie basis and had accordingly failed to meet the Commission's criteria for the second phase of reconsideration. The application for reconsideration of Order G-15-11 by NNTC/ONA/Upper Nicola and the additional grounds for reconsideration alleged by Coldwater et al., Stó:lō Tribal Council and the Hwlitsum were denied.

Corix Multi-Utility Services Inc.
Certificate of Public Convenience and Necessity for the Neighbourhood Utility Service at UniverCity Burnaby, Order C-7-11 dated May 6, 2011

On November 26, 2010, Corix filed an application for a CPCN to construct and operate an alternative energy-based district energy system for the UniverCity residential community on Burnaby Mountain; and approval for a deemed capital structure, Return on Equity (ROE), long term debt financing costs, a levelized rate structure and a revenue deficiency deferral account. The application was reviewed through a written public hearing process.

The Commission Panel issued its decision on May 6, 2011, making the following key determinations:

- approval to construct and operate a natural gas fuelled temporary Central Energy Plant and related Thermal Distribution System and Energy Transfer Stations as outlined in the application;
- further consideration of the permanent Central Energy Plant is suspended until Corix is able to meet the requirements outlined in the decision;
- the approved temporary Central Energy Plant will operate on the basis of the following terms:
    i. An ROE which is 50 basis points over the benchmark ROE;
    ii. A rate base with 60% deemed debt and the remaining 40% with common equity;
    iii. A rate design with a 60% fixed monthly charge and a 40% variable charge which are to be recalculated using a 20-year levelized rate, based solely on the capital cost of the temporary Central Energy Plant plus the related distribution system. This is to be adjusted for all financial directives provided in Sections 6.2.2 to 6.2.4 of the decision.
    iv. A blended debt rate of 6.0% based on the 10-year Government of Canada benchmark bond yield of 3.5% and a credit spread of 250 basis points.
    v. The establishment of a revenue deferral account to capture the revenue requirement variances under the levelized rate approach.

British Columbia Hydro and Power Authority
Customer Complaint – Adjusted Billing, Order G-83-11 dated May 9, 2011

The Commission received a complaint on February 23, 2010, from a BC Hydro customer, concerning adjusted billing received for a period through 2008 to 2009 where actual meter readings were not obtained by BC Hydro and as a result, under-billing occurred. The customer disputed the number of estimated readings allowed and the alleged increase in consumption. The customer was also concerned with the additional customer service issues raised throughout the review of the matter.

The Complaint was reviewed through the Commission's Complaint Process consisting of written communications between the Commission, BC Hydro and the Customer.

On May 9, 2011, the Commission issued Order G-83-12 with Reasons for Decision directing BC Hydro to apply section 5.8 of its Electric Tariff and reinstate the offer to the customer accordingly. BC Hydro was required to file a report with the Commission within 90 days from the date of the Order to outline what reviews and action, if any, it took on the processes identified as contributing to the matter between BC Hydro and the customer. If no reviews or action were taken, the report was to outline BC Hydro's views on the appropriateness of the policies.

British Columbia Hydro and Power Authority
Application for Large General Service Rate - Electric Tariff Supplement No. 82, Order G-213-11 dated December 13, 2011

On May 18, 2011, BC Hydro filed an application proposing an Electric Tariff Supplement No. 82 containing rules regarding customers' applications under Clause 13 of the Large General Service Negotiated Settlement Agreement (Order G-110-10). The application also included BC Hydro's response to Pacific BioEnergy Prince George Limited Partnership's application dated November 24, 2010. Specifically, BC Hydro sought: (a) an order to approve Tariff Supplement No. 82 and the consequential changes to Rate Schedules 16xx; and (b) an order to approve the modified Large General Service rate that will apply to Pacific BioEnergy pursuant to its November 24, 2010 application for a prospective growth adjustment.

The Commission established a regulatory timetable for one round of information requests and a written hearing process to review the application. Order G-213-11 with Reasons for Decision was issued on December 13, 2011, wherein the Commission Panel (1) approved BC Hydro's revised September 19, 2011 Tariff Supplement 82 subject to further amendment outlined in the Reasons for Decision and (2) denied BC Hydro's application for an order approving a modified Large General Service rate for Pacific BioEnergy Prince George Limited Partnership.

BC Hydro was directed to:

- file a revised Tariff Supplement No. 82 in accordance with Order G-213-11 and amend rate schedules 16xx to be effective from the date of the order; and
- process all applications pursuant to Clause 13 of the Large General Service Negotiated Settlement Agreement which were being held in abeyance, within 20 working days, subject to receipt of revised applications, from the date of the Order.

Pacific Northern Gas Ltd.
2011 Revenue Requirements, Order G-92-11 dated May 20, 2011

PNG filed on November 30, 2010, its 2011 Revenue Requirements application to increase, among other things, delivery rates. The application forecast a 2011 revenue deficiency of approximately $4.5 million comprised of a net increase in cost of service of $0.5 million and a decrease in margin of $4.0 million. On April 15, 2011, PNG filed an update to the amended application to reflect a number of adjustments for year end 2010 figures and other corrections that came to light during the information request/response process. The updated application forecast a 2011 revenue deficiency of approximately $2.1 million.

The application was reviewed by way of a negotiated settlement process and negotiations commenced on April 26, 2011. The May 10, 2011 Negotiated Settlement Agreement, which resulted in a revenue deficiency of approximately $0.5 million, was approved by the Commission on May 20, 2011.

PNG was directed to refund to customers the difference between permanent 2011 rates and the interim rates with interest in accordance with Order G-182-10.

Pacific Northern Gas (N.E.) Ltd.
2011 Revenue Requirements, Order G-93-11 dated May 20, 2011

On November 30, 2010, Pacific Northern Gas (N.E.) Fort St. John/Dawson Creek and Tumbler Ridge Divisions filed its 2011 Revenue Requirements application. The application was reviewed through a negotiated settlement process on April 26, 2011. A Negotiated Settlement Agreement was reached among the participants and circulated on May 3, 2011, to registered interveners for comment. The Commission Panel approved the Negotiated Settlement Agreement in its decision on May 20, 2011, and directed PNG (N.E.) to refund to customers, with interest, the difference between the permanent 2011 rates and interim rates previously approved by Order G-183-10.

FortisBC Energy Inc. (formerly Terasen Gas Inc.)
Customer Choice – 2010 Program Summary and Recommendations, Order A-9-11 dated May 31, 2011

On November 23, 2010, FortisBC Energy (formerly Terasen Gas) filed an application for Customer Choice 2010 Program Summary and Recommendations. The application was reviewed through a written hearing process. The decision was issued on May 31, 2011, in Order A-9-11, wherein, the Commission Panel made the following key determinations:

- some business rules that apply for residential customers, such as the mandatory third party verification call, confirmation letter, and a mandatory 10-day cancellation period, also apply for Rate Schedule 2 and 3 commercial customers with certain requirements and exceptions;
- the Evergreen Provision, which previously permitted a gas marketing company to renew a customer's contract for a one-year period at the same commodity costs as agreed upon in the original contract, was eliminated;
- any contract set for $0 per gigajoule for any term of the contract was to be cancelled and re-established once a fixed rate is agreed upon between the customer and the gas marketer; and
- approved of the Eighth Revision of the Code of Conduct for Gas Marketers and script for third party verification calls.

FortisBC Energy (Vancouver Island) Inc.
Mt. Hayes Liquefied Natural Gas (LNG) First Nations Investments, Order G-109-11 dated June 28, 2011

On January 11, 2011, Terasen Gas (Vancouver Island) Inc., now FortisBC Energy (Vancouver Island) Inc. (FEVI) and Mt. Hayes (GP) Ltd. on behalf of Mt. Hayes Limited Partnership (collectively, the Applicants) applied for approvals under the *Utilities Commission Act* to restructure the holdings of the Mt. Hayes liquefied natural gas storage facility to provide the Chemainus First Nation and the Cowichan Tribes (collectively, the First Nations) with the opportunity to acquire a 15% ownership interest in the LNG Storage Facility effective January 1, 2012. The application was reviewed through a written hearing process. The Commission Panel determined the application was in the public interest and issued its approval in Order G-109-11 on June 28, 2011.

British Columbia Hydro and Power Authority
Smart Metering Infrastructure Regulatory Account F2011 Expenditures, Order G-115-11 dated July 4, 2011

On March 11, 2011, BC Hydro submitted its application to include in the Smart Metering Infrastructure Regulatory Account the actual operating costs for the Smart Metering program incurred during fiscal year 2011 (F2011), forecast to be $5.8 million. In the application, BC Hydro also sought approval to accelerate the rate of depreciation on its existing meters and to include in the SMI Regulatory Account the increased amortization in F2011 related to the accelerated depreciation of its existing meters, forecast to be $8.9 million.

The application was reviewed through a written hearing process and the Commission issued its decision on July 4, 2011, Order G-115-11. In the decision, the Commission Panel directed BC Hydro to:

- By no later than March 31, 2012, file a schedule detailing all deferred costs in the SMI Regulatory Account in the categories described in Directive No. 4 of Order G-67-10, plus the additional category of Accelerated Depreciation of existing revenue meters. Any costs contained in the "other" categories of expenditures should be further broken down by activity. All future BC Hydro SMI applications and filings to the Commission should provide costs broken down by these categories.
- Continue to file quarterly updates on all SMI activities, including costs incurred and budgeted. The quarterly updates should also include a description and value of any contracts or commitments BC Hydro undertakes related to future SMI activities.

FortisBC Utilities
(FortisBC Inc., Terasen Gas Inc., Terasen Gas (Vancouver Island) Inc., and Terasen Gas (Whistler) Inc.)
Adopt US Generally Accepted Accounting Principles effective January 1, 2012, Order G-117-11 dated July 7, 2011

On February 9, 2011, the FortisBC Utilities submitted an application to the Commission to adopt US Generally Accepted Accounting Principles (US GAAP), effective January 1, 2012, for regulatory accounting and reporting purposes for the calculation of cost of service, revenue requirements, rate base, and the preparation of regulatory schedules and filings.

The application also sought approval to record the one-time conversion costs associated with adoption of US GAAP in a rate base deferral account for each of the Companies, for recovery from its respective customers in 2012 and 2013.

The application was reviewed through a written hearing process and the Commission issued its decision on July 7, 2011, in Order G-117-11. In the decision, the Commission Panel directed FortisBC to:

- Review the status of various accounting standards, alternatives and costs by July 1, 2014, and file a report with the Commission by January 1, 2015, summarizing this review along with a description of FortisBC Utilities' proposed financial and regulatory accounting standards effective January 1, 2015, for approval.
- By September 1, 2014, apply to the Commission for approval of its regulatory accounting standard effective January 1, 2015.
- Each of FortisBC Utilities' entities adopting US GAAP shall prepare a reconciliation of amounts reported for regulatory accounting to those amounts that would otherwise be reported under 2011 Canadian GAAP. This reconciliation should be included in annual reports and revenue requirements applications up to December 31, 2014.

FortisBC Energy Inc. / FortisBC Energy (Vancouver Island) Inc.
Price Risk Management Plan effective April 2011–October 2014, Order G-128-11 dated July 12, 2011

Following the July 22, 2010, denial of the 2010 Price Risk Management Plan submitted by FortisBC Energy and FortisBC Energy (Vancouver Island), the utilities were directed to conduct a review of the Price Risk Management Plan's primary objectives in the context of the *Clean Energy Act* and increased domestic natural gas supply, which culminated in a January 27, 2012, confidential filing by FEI/FEVI of the "Review of the Price Risk Management Objectives and Hedging Strategy" providing the results of the FEI review.

The filing was reviewed through a written hearing process. The Reasons for Decision were issued on July 12, 2011, wherein the Commission Panel reached the following conclusions regarding the FEI/FEVI 2011-2014 Price Risk Management Plan:

- The need for an objective related to the competitiveness of natural gas with other energy sources was not established.
- Moderation of the volatility of natural gas prices to stabilize customer rates is a reasonable goal for the utilities to pursue. However, the Panel rejected the notion that it necessarily follows that the proposed Price Risk Management Plan is the most cost-effective approach or solution.
- With the exception of those elements related to the usage of Sumas-AECO Basis Swaps, the FEI 2011-2014 Price Risk Management Plan dated January 27, 2011, was rejected.

Pacific Northern Gas Ltd.
Consolidated Gas Sales Tariff, Order G-127-11 dated July 18, 2011

On December 16, 2010, PNG applied for approval for a Consolidated Gas Sales Tariff to harmonize the general terms and conditions of service that apply to its gas sales customers in all of its service areas. The application was included as part of the written hearing process for PNG's 2011 Revenue Requirement application. The Reasons for Decision were issued on July 18, 2011, wherein the Commission Panel made the following determinations:

- harmonizing the connection fee rate to $450 for all service areas is in the public interest.
- the proposed rates of $30 for a new account and $60 for a reconnection are appropriate.
- the late interest charge of 1.5% is fair and reasonable given the circumstances and the importance of timely bill remittance.
- the Gas Sales Tariff as submitted by PNG on behalf of PNG-West and PNG (N.E.) is approved subject to agreed upon amendments and the preceding determinations being incorporated and filed with the Commission within ten business days of the Order.
- the cancellation of parts of Gas Tariff Nos. 1, 3 and 4 as outlined in the application are approved.
- the following is to be added to Section 11 of the Tariff
  Meter Reading – The interval between consecutive meter readings shall be at the sole discretion of Pacific Northern Gas. However, the meter will normally be read by an employee or representative of the company every second month. An accurate record of all meter readings shall be kept by the Company and shall be the basis for the determination of all bills rendered for service. For billing purposes, Pacific Northern Gas may estimate the customer's meter reading if, for any reason, it does not obtain an actual meter reading.

FortisBC Energy Inc.
Approval of a Service Agreement for Compressed Natural Gas and for Approval of General Terms and Conditions for Compressed Natural Gas and Liquefied Natural Gas, Order G-128-11 dated July 19, 2011

On December 1, 2010, FortisBC Energy applied for approval of General Terms and Conditions for compression and dispensing service for Compressed Natural Gas Service and transportation, delivery, fuel storage and dispensing service for liquefied natural gas service for inclusion in future service agreements with customers; a Service Agreement with Waste Management of Canada Corporation for compression and dispensing service for compressed natural gas; and expenditures required to provide compression and dispensing service for compressed natural gas under the Waste Management Agreement.

The Commission established an expedited written hearing process for consideration of the Waste Management Agreement, and a written hearing process for the remainder of the application. The Reasons for Decision were issued on July 19, 2011, where the Commission Panel made the following determinations:

- Approved the Waste Management Agreement as amended and refiled on March 25, 2011, as Tariff Supplement J-1.
- Accepted the expenditures required for FEI to provide compression and dispensing service for natural gas under the Waste Management Agreement, in the amount of $775,031.
- Denied the proposed General Terms and Conditions for compressed natural gas service and liquefied natural gas service.
- No amounts were approved for capitalized overhead.
- The following deferral accounts were approved:
    a. A non-rate base deferral account attracting AFUDC to capture the cost of the current application, including the cost of the Waste Management application and to recover these costs from all non-by-pass customers by amortizing them through delivery rates commencing January 1, 2012, over a three year period. [Future individual application costs must be recovered from those customers.]
    b. A non-rate base deferral account attracting AFUDC to capture the operating and maintenance costs and the cost of service associated with the capital additions to the delivery system incurred and the compressed natural gas and liquefied natural gas service recoveries received prior to January 1, 2012, for contracts approved by the Commission, and to recover or refund the balance to all non-bypass customers by amortizing the balance through delivery rates commencing January 1, 2012, over a three year period.
    c. An ongoing rate base deferral account to capture incremental compressed natural gas and liquefied natural gas recoveries received from actual volumes purchased in excess of minimum contract "Take or Pay" commitments to be refunded to all non-bypass customers by amortizing the balance through delivery rates over a one year period, commencing the following year, to be effective as of January 1, 2012.

FEI was directed to file revised General Terms and Conditions which, in addition to the proposed "Take or Pay" commitment, better reflect full cost recovery from the potential compressed natural gas/liquefied natural gas customer.

Tembec LAP
Mandatory Reliability Standards for British Columbia, Reconsideration of Order G-95-10A - Registration as a Load Serving Entity, Order G-134-11 dated July 29, 2011

On October 28, 2010, Tembec LAP requested the Commission reconsider Order G-95-10A with respect to the registration of Tembec LAP as a Load Serving Entity. The sole issue in the reconsideration application was whether Tembec LAP, as an entity to whom Mandatory Reliability Standards applies, is required to be registered as a Load Serving Entity.

The reconsideration application was reviewed through a written comment process. The Reasons for Decision were issued on July 29, 2011, wherein the Commission denied the reconsideration application citing that Tembec LAP performs the function of an LSE and was required to register as an LSE. Tembec LAP could assign its LSE responsibilities to BC Hydro by a written agreement, but Tembec LAP would need to make these arrangements with BC Hydro.

FortisBC Energy Inc. / FortisBC Energy (Vancouver Island) Inc.
Energy Efficiency and Conservation - Natural Gas Vehicle Incentive Review, Order G-145-11 dated August 15, 2011

On March 31, 2011, FEI/FEVI submitted their Energy Efficiency and Conservation (EEC) Program 2010 Annual Report as a compliance filing in accordance with Order G-36-09 and requested the Commission address the Companies' use of EEC funds as incentives for NGVs. A written hearing process was initiated on April 18, 2011, and concluded on June 16, 2011. The Reasons for Decision were issued on August 15, 2011, wherein the Commission Panel made the following determinations with respect to the three specific questions posed at the commencement of the review:

The Commission determined that it was not appropriate for the Companies to change the scope of the Innovative Technologies program to include NGV purchase incentives via the EEC Stakeholder Group and the EEC Program–2009 Report (filed March 31, 2010). It further determined that the NGV program is not a demand-side measure within the meaning of the *Clean Energy* and *Utilities Commission Acts*.

The Commission directed that FortisBC Energy Inc. and FortisBC Energy (Vancouver Island) Inc. include only those expenditures meeting the definition of "demand-side measure" as found in the *Clean Energy* and *Utilities Commission Acts* in the Energy Efficiency and Conservation category. Programs that do not meet the definition are to be kept separate. This applies as well to any funding for "technology innovation programs."

The Commission provided a future opportunity for FortisBC Energy Inc. and FortisBC Energy (Vancouver Island) Inc. and interveners to file further submissions on the issue of the prudency of the NGV incentive expenditures, given the findings of the Commission Panel.

British Columbia Hydro and Power Authority
Mandatory Reliability Standards Assessment Report No. 3 by British Columbia Hydro and Power Authority and the Determination of Reliability Standards for Adoption in British Columbia, Order G-151-11 dated September 16, 2011

On March 3, 2011, BC Hydro filed Mandatory Reliability Standards Assessment Report No. 3 pursuant to section 125.2(3) of the *Utilities Commission Act* assessing one new reliability standard (PRC-023-1) and revisions to 19 existing reliability standards developed by the North American Electric Corporation (NERC) and the Western Electricity Coordinating Council (WECC). The 19 existing reliability standards were adopted in British Columbia by the Commission under Orders G-67-09 and G-167-10.

Following consideration of Mandatory Reliability Standards Assessment Report No. 3 and the reliability standards assessed in it, the Commission determined that the standards assessed in BC Hydro's Mandatory Reliability Standards Assessment Report No. 3 were in the public interest and should be adopted in British Columbia to maintain or achieve consistency with other jurisdictions that have adopted the reliability standards, subject to the terms set out in Order G-151-11.

The Commission also considered it was appropriate to provide an effective date for entities to come into compliance with the reliability standards to be adopted and set the effective date as October 16, 2011.

British Columbia Hydro and Power Authority
Mandatory Reliability Standards Assessment Report No. 3 by British Columbia Hydro and Power Authority and the Determination of Reliability Standards for Adoption in British Columbia, Order G-162-11 dated October 21, 2011

Following the issuance of Order G-151-11, approving Mandatory Reliability Standards Assessment Report No. 3, the Commission was advised that the clauses requiring the rescinding of certain standards posed a potential problem for the Administrator's auditing procedures. In addition, BC Hydro's Mandatory Reliability Standards Assessment Report No. 3 recommended adopting the April 20, 2010, NERC Glossary. This glossary, however, was superseded by the May 24, 2011, updated glossary. The May 24, 2011, Glossary had now also been updated by an August 4, 2011, Glossary that is currently used by NERC and WECC for the administration of all adopted standards.

The Commission rescinded Order G-151-11 and replaced it with Order G-162-11. The Effective Date of each of the standards adopted in the Order was the latter of October 30, 2011, or that which was stated in a standard adopted by Order G-162-11. As a result of Order G-162-11 and Orders G-67-09 and G-167-10, the standards listed in the table found in Attachment B to G-162-11 are the reliability standards adopted in British Columbia as of October 21, 2011.

FortisBC Energy Inc.
Compression Rate Schedule, Compression & Dispensing Rate Calculation and Effective Rate to Provide Public Natural Gas Vehicle Refuelling at the FEI Surrey Operations Centre, Order G-165-11A dated September 28, 2011

On July 8, 2011, FEI applied for approval of a new rate schedule (proposed Rate Schedule 6P) to allow it to provide compressed natural gas fuelling service to the general public at its Surrey Operations Centre, and the calculation of the rate to be charged for compression and dispensing service within the proposed new Rate Schedule 6P, and the resulting effective rate.

The application was reviewed through a written hearing process. The Reasons for Decision were issued on September 26, 2011, wherein the Commission Panel made the following determinations:

- If FEI elects to sell compressed natural gas to the public from its Surrey Operations Centre, FEI is to include a Compression and Dispensing charge of $7.628 per GJ in the new Tariff 6P.
- The new Tariff 6P is to be restricted to sales of compressed natural gas from FEI's Surrey Operations Centre and the wording of proposed new Tariff 6P be modified to reflect this restriction.
- Approval of the levelized rate calculation proposed by FEI was declined.

FEI was directed to track and record all incremental costs and revenues associated with making compressed natural gas available to the public at its Surrey Operations Centre to the end of 2012 and to file a written report no later than March 31, 2013, outlining such costs and revenues and also including information on the volumes and bundled rates charged to the public over that period of time.

British Columbia Hydro and Power Authority / British Columbia Transmission Corporation
Interior to Lower Mainland (ILM) Transmission Project Reconsideration – Review of BC Hydro's Compliance Report to Commission Order G-15-11 Duty to Consult, Order G-166-11 dated September 29, 2011

On June 3, 2011, BC Hydro filed its Compliance Report and two Supplemental Compliance Reports on June 17 and July 28, 2011, in accordance with the Commission's February 3, 2011, decision on the Interior to Lower Mainland Transmission Project Reconsideration application (Order G-15-11). The Reports were reviewed through a written hearing process. The Reasons for Decision were issued on September 29, 2011, wherein the Commission Panel made the following determinations:

- The deficiencies in consultation identified in the Reasons for Decision for Order G-15-11 were remedied to the Commission's satisfaction.
- Suspension of the CPCN was lifted and the CPCN granted by Order C-4-08 was reinstated under the same terms and conditions set out in that Order.

BC Hydro was directed to:

- Continue consulting with the potentially impacted First Nations until the ILM Project is complete.
- Include in its ILM Quarterly Progress Reports a detailed reporting on First Nations consultation similar to the reporting in the Revelstoke Unit 5 Project Quarterly Reports.
- Include a comprehensive and detailed report on its consultation with First Nations in the Final Report contemplated by Commission Order C-4-08, and as provided in Order G-15-11.

British Columbia Hydro and Power Authority
Mandatory Reliability Standards Assessment Report No. 4, Order G-175-11 dated October 28, 2011

On May 26, 2011, BC Hydro filed Mandatory Reliability Standards Assessment Report No. 4 (Report) pursuant to section 125.2(3) of the *Utilities Commission Act*, assessing six new reliability standards (MOD-001-1a, MOD-004-1, MOD-008-1, MOD-028-1, MOD-029-1a and MOD-030-02) developed by the North American Electric Reliability Corporation. On October 28, 2011, the Commission issued Order G-175-11 in which it determined that the standards are in the public interest and adopted the six new reliability standards in the form submitted by BC Hydro to be effective as of November 30, 2011.

FortisBC Energy Inc.
Application for Approval of Sale of Part of the Tilbury Property and Sale of Easement Rights Over an Easement Area on Neighbouring Land, Order G-181-11 dated November 1, 2011

On October 12, 2011, FEI filed a confidential application for approval of the sale of the South Area of the Tilbury Property and the sale of easement rights encumbering part of the neighbouring land. This application arose from the initial purchase of a parcel of land located at 6939, 7150 Tilbury Road, and 7505 Hopcott Road in the Tilbury Industrial Area of Delta, BC, adjacent to the Tilbury LNG Facility (the Tilbury Property) approved by the Commission on April 27, 2010 (Order C-2-10).

The Commission conducted a transcribed Information Session (a trial of the streamlined review process) on October 28, 2011, to hear the application in the presence of registered interveners, the Commission Panel, and Commission staff. The decision was issued on November 1, 2011, wherein the Commission made the following key determinations:

- Approved the sale of the South Area of the Tilbury Property and sale of easement rights encumbering part of the neighbouring Varsteel property pursuant to section 52(a)(1) of the *Utilities Commission Act*.
- Net proceeds from the sale and subdivision to be credited to the deferral account established pursuant to Order G-68-10, with the disposition of the deferral account to be addressed in FEI's next revenue requirements application. The actual proceeds of the transactions will be adjusted by the related income tax benefits, calculated at the tax rate applicable to the year that the losses are deducted for income tax purposes.
- Expansion of the deferral account to include any incremental rental revenue on a net of tax basis received from the Tilbury Property for the years 2012 and 2013 over and above what was forecast in its 2012 2013 Revenue Requirements and Natural Gas Rates application.
- Any future gain on the sale of the South Area within the next 10 years, that is shared 50/50 with the District of Delta, will be credited to the benefit of ratepayers.
- The application and Appendices D and E will be made public following the completion of all commercial transactions contemplated in the contracts.

Zellstoff Celgar Limited Partnership
Complaint regarding the failure of FortisBC Inc. and Celgar to complete Service Agreement and FortisBC Application of rate schedule 31 Demand Charges, Order G-188-11 dated November 14, 2011

On March 25, 2011, Celgar filed a complaint against FortisBC relating to the failure of FortisBC and Celgar to complete a general service agreement, and to FortisBC's application of Rate Schedule 31 demand charges. The complaint was reviewed through a written hearing process ending on September 2, 2011. The decision was issued on November 14, 2011, where the Commission Panel made the following determinations:

- The complaint was denied.
- Celgar was prohibited from accessing BC Hydro Power Purchase Agreement (PPA) Power while it is selling power.
- Rate Schedule 31 applies to FortisBC service to Celgar.
- Celgar was entitled to some amount of FortisBC non-BC Hydro PPA embedded cost power when selling power.
- FortisBC and Celgar are free to incorporate a Generation Baseline into a General Service Agreement and submit it to the Commission for approval.

FortisBC was directed to:

- develop a rate for Celgar and other self-generators by May 31, 2012, based on Rate Schedule 31 but excluding BC Hydro PPA Power from its resource stack.
- bill Celgar in accordance with Rate Schedule 31 on an interim and refundable basis beginning March 25, 2011, and ending when the Commission approves the new rate for Celgar that excludes PPA Power from its resource stack, and/or an Agreement forwarded by the parties. Any differences between the interim rate and the rate ultimately approved by the Commission are subject to refund/recovery, with interest at the average prime rate of FortisBC's principal bank for its most recent year.
- establish a methodology for notionally matching sales to Celgar in service of its load when Celgar is selling power, to FortisBC's non-BC Hydro PPA components of its resource stack, and submit it to the Commission for approval by March 31, 2012.
- consult with all classes of its customers to determine guidelines for the level of entitlement to non-BC Hydro PPA embedded cost power by eligible self-generating customers. Draft guidelines should be delivered to the Commission by March 31, 2012, and, once approved by the Commission, should be used as a basis for negotiating General Service Agreements for customers such as Celgar.
- submit an application to the Commission by May 31, 2012, for a two-tier, stepped transmission rate to support conservation objectives that will reflect the long term marginal cost of power from sources other than BC Hydro PPA Power in the second tier. Any service above the amounts that customers are entitled to at embedded rates under the re-entry provisions of the APA should be subject to the second tier rate.
- design a standby rate to address Celgar's circumstances and describe how this rate takes account of its system planning criteria and submit it to the Commission for approval by May 31, 2012.

Insurance Corporation of British Columbia
Streamline the IT Capital Reporting Requirements and Reasons for Decision, Order G-189-11 dated November 16, 2011

On September 22, 2011, ICBC submitted an application to streamline its IT capital reporting requirements. The application was reviewed through a written hearing process that allowed interveners in past proceedings to provide stakeholder comment submission on the application. The decision was issued on November 16, 2011, in Order G-189-11, wherein the Commission Panel approved the application and directed ICBC to:

- list evergreening projects that exceed the $1 million IT capital reporting threshold in its Annual IT Capital Expenditure Plan as line items listing actual and forecast project expenditures with a description of the project;
- discontinue individual IT capital reports for six evergreening projects;
- file an initial individual IT project capital report for Commission review and approval should it wish to have additional evergreening projects listed for streamlined reporting;
- continue the existing reporting regime consisting of a comprehensive annual IT capital plan filing that would identify the total IT capital expenditures (actuals and forecast); and
- other than the evergreening projects approved by this Order, report on individual projects that exceed a capital expenditure of $1 million, with explanatory detail and project justification, in a timely way for Commission comments, once internal corporate approvals have been achieved, but before implementation.

Pacific Northern Gas Ltd.
AltaGas Acquisition of PNG and PNG (N.E.), Order G-192-11 dated November 23, 2011

On October 31, 2011, AltaGas Utility Holdings (Pacific) Inc. (AltaGas) applied for an Order approving the acquisition of the issued and outstanding common shares of Pacific Northern Gas Ltd. which would also cause AltaGas to have indirect control of PNG's wholly owned subsidiary Pacific Northern Gas (N.E.) Ltd. The application was reviewed through an Integrated Review Process held on November 22, 2011. The Commission Panel issued Order G-192-11 on November 23, 2011, where the application was approved subject to the following conditions:

- The books and records of PNG and its subsidiary shall remain in British Columbia unless otherwise approved by the Commission.
- PNG and its subsidiary shall report on the Identified Service Quality Metrics for the last two preceding years in each annual Revenue Requirement application filed with the Commission until the Commission indicates otherwise. In the 2012 Revenue Requirements application process, PNG and its subsidiary shall also report the results of these Identified Service Quality Metrics for a third prior year.
- On December 12, 2011, PNG and AltaGas shall report to the Commission the results of the shareholder vote to take place at the Special Meeting of Common Shareholders of PNG.

Pacific Northern Gas Ltd.
Share Transfer to AltaGas, Order G-193-11 dated November 23, 2011

On October 31, 2011, PNG applied for approval to register a transfer of its common shares to AltaGas Utility Holdings (Pacific) Inc. The application was reviewed in conjunction with the AltaGas Acquisition application through the Integrated Review Process. The Commission Panel issued Order G-193-11 on November 23, 2011, approving the registration of a transfer of the issued and outstanding common shares of Pacific Northern Gas Ltd. to AltaGas Utility Holdings (Pacific) Inc. subject to the conditions contained in Order G-192-11.

River District Energy Limited Partnership
CPCN to Construct and Operate a District Energy System for the River District Development in Southeast Vancouver, Order C-14-11 dated December 19, 2011

On July 27, 2011, River District Energy Limited Partnership (RDE) applied for a Certificate of Public Convenience and Necessity (CPCN) for the construction and operation of a district energy utility (DEU) for the River District development located along the Fraser River in Southeast Vancouver, BC, and for approval under sections 59, 60 and 61 of the *Utilities Commission Act* for the proposed revenue requirement, rate design, levelized rates and accounting treatment including a rate stabilization account. The application was reviewed through a written public hearing process.

The decision was issued on December 19, 2011, the Commission Panel made the following determinations:

- The need for the project had been established and the alternatives were adequately assessed to justify the future potential benefits, including environmental, as being in the public interest.
- The proposed deemed capital structure comprising 60% debt and 40% of equity was approved for rate setting purposes. A deemed cost of debt rate of 5.5% was approved. For a rate of return on equity, a risk premium of 50 basis points over the benchmark Return on Equity (ROE) was approved.
- A rate design which will recover 66% of forecast revenues through a fixed monthly charge and 34% through a variable charge was approved. A twenty-year levelized rate structure in which RDE defers a portion of its annual revenue requirement during the initial years was also approved. Furthermore, the Panel approved establishment of a Revenue Deferral Deficiency Account to record shortfalls in the recovery of revenue requirements in the early years.
- Regarding the initial rates, the Panel accepted that a premium of up to 10 percent above the benchmark electricity rate may be justified when establishing the rates for the DEU. However, the Panel was reluctant to determine a final 2012 rate greater than that requested by RDE without giving the applicant and interveners an opportunity for further input. Accordingly, RDE was directed to file three additional options with the Commission.
- While the only real GHG benefit will be realized when the DEU is supplied with a renewable energy heat source, the Panel found that the implementation of the DEU creates the conditions for adopting low-carbon energy sources in the future, thus aligning with the Government's energy objectives.
- Even without a renewable heat source there are sufficient reasons to find the project in the public interest as long as the source of energy costs is sufficiently cost-competitive with electricity.
- It would be inappropriate to limit the test of the public interest to the benefits derived only in the first five years of the project. The Panel found that RDE has sufficiently explored a variety of alternative non-fossil heat sources and the waste heat option is a reasonably available strategy at this time for this CPCN.

British Columbia Hydro and Power Authority
Andrea Collins and the Citizens for Safe Technology Society Complaint under section 47 of the *Utilities Commission Act*, Letter L-96-11 dated December 28, 2011

On December 22, 2011, the Citizens for Safe Technology Society submitted a written request to the Commission to issue an Order requiring BC Hydro to "to cease and desist from the implementation of the Unauthorized Extensions" referred to in the letter as components of the BC Hydro "Smart Meter" program. The Commission Panel issued its decision on December 28, 2011, in Letter L-96-11, wherein the Commission Panel determined that the situation did not warrant an order from the Commission "on an urgent and interim basis, without hearing and without delay" and that the complaint should proceed through a written process.

In Letter L-96-11, the Commission Panel directed BC Hydro to:

- submit a written response to the Commission regarding the Complaint by Friday, January 13, 2012, with a copy to the Complainant; and
- provide an update on plans for its filing electric and magnetic fields risk assessments and guidelines in January 2012.

The Commission Panel further directed the Complainant to file a reply, if necessary, to BC Hydro's submission by no later than Friday, January 27, 2012.

British Columbia Hydro and Power Authority
Ruskin Dam and Powerhouse Upgrade Project, Order C-5-12 dated March 30, 2012

On February 22, 2011, BC Hydro submitted an application for a Certificate of Public Convenience and Necessity for the Ruskin Dam and Powerhouse Upgrade Project. The application was reviewed through a written hearing process. The decision was issued on March 30, 2012, in Order C -5-12, wherein the Commission Panel granted the Certificate. In the decision, the Commission Panel made the following key determinations:

- the application and proceeding clearly established a need for the project for safety and environmental reasons;
- the Basic Expected Amount for the Project should exclude Capital Overhead, with the provision to add Capital Overhead at the applicable Capital Overhead Rate approved by the Commission from time to time, to arrive at a Total Expected Amount;
- BC Hydro's public consultation was adequate;
- BC Hydro's First Nations consultation was adequate;

The Commission Panel further directed BC Hydro to:

- File semi-annual progress reports on the Project schedule, costs with a comparison to the Expected Amount set out in the application and any variances or difficulties that the Project may be encountering. The reports are to reflect that the Commission approved only a Basic Expected Amount of $640.6 million, which excludes Capital Overhead; and detail the company's ongoing consultation with the First Nation.
- File a final report within six months of the end or substantial completion of the Project. The final report is to include a complete breakdown of the final costs of the Project, a comparison of these costs to the Expected Amount set out in the application and provide an explanation of all material cost variances.

FortisBC Inc.
Residential Inclining Block Rate Decision, Order G-3-12 dated January 13, 2012

On March 31, 2011, FortisBC Inc. submitted its application for Residential Inclining Block rates, in response to an earlier Commission directive in Order G-156-10. The application was reviewed through a written hearing process. The decision was issued on January 13, 2012, in Order G-3-12, wherein the Commission Panel approved the application and made the following key determinations:

- the RIB rate structure is in the public interest and should be implemented as soon as reasonably practical, or by no later than July 31, 2012;
- a four component rate structure, consisting of a basic charge, threshold and step one and two rates, was the most appropriate model as it allows for provincial consistency;
- FortisBC should apply the following pricing principles to future rate increases for the years 2012 to 2015:
    - the Customer Charge is exempt from general rate increases, other than rate rebalancing increases;
    - the Block 1 rate is subject to general and rebalancing rate increases; and
    - the Block 2 rate is increased by an amount sufficient to recover the remaining required revenue (i.e., the residual rate).
- the RIB rate should apply on a mandatory basis to all residential customers not currently receiving service under Time-Of-Use billing.

The Commission Panel further directed FortisBC to:

- establish a control group and such monitoring as is required to enable it to provide a RIB Rate Evaluation Report (Report) on conservation impacts of the RIB rate;
- include in the Report an update of the Conservation Potential Review; an in-depth analysis of its long-run marginal cost including the cost to distribute and transport the energy; the potential effect of a two-tier wholesale rate; and an analysis of the interaction of RIB and Time-of-Use rates, should TOU rates be implemented during the reporting period; and
- the reporting period is to run from the implementation date to December 31, 2013 and the Report is to be submitted to the Commission by no later than April 30, 2014.

British Columbia Hydro and Power Authority
Amendment to Open Access Transmission Tariff (OATT) Attachment C, Order G-4-12 dated January 16, 2012

By letter dated December 14, 2011, BC Hydro applied for approval to amend Attachment C of its Open Access Transmission Tariff to limit sales of firm transmission service on the Alberta to British Columbia path to 385 MW until such time as the Alberta Electric System Operator relieves constraints on its system to allow additional energy to reach the Alberta-British Columbia border. The purpose of the amendment was to restrict the sale of firm transmission capacity on Path 1 from Alberta to British Columbia to its current limit of 385 MW Available Transfer Capability.

The application was reviewed through a written comment process. Order G-4-12 was issued on January 16, 2012, wherein the Commission Panel declined to approve the requested amendment. The Commission was not satisfied that the limited information provided in the application supported the requested amendment. The Commission was also not persuaded that the facts in the TransCanada Complaint were necessarily directly comparable to the facts giving rise to this application.

British Columbia Hydro and Power Authority
F2012-F2014 Revenue Requirements Application - Reasons for Decision on Interim Rates Effective April 1, 2012, Order G-17-12 dated February 15, 2012

On March 1, 2011, BC Hydro submitted its original F2012-F2014 Revenue Requirement application; an amended application was submitted on November 24, 2011. The application sought an order to increase rates effective April 1, 2012, on an interim and refundable basis, pending determination of the application and to continue the Deferral Account Rate Rider at 2.5%. The decision on the interim rate increases was issued on February 15, 2012, in Order G-17-12, in which the Commission Panel made the following key determinations:

- the applied for 3.91% across the board rate increases were approved on an interim and refundable basis, pending the Panel's determination of the application; and
- the applied for continuation of the Deferral Account Rate Rider at 2.5% was rejected. Based on the approved methodology to establish the appropriate percentage of the Deferral Account Rate Rider at various ranges of net deferral account balances, the Panel Determined the Deferral Account Rate Rider effective April 1, 2012, should be set at a minimum at 5.0%.

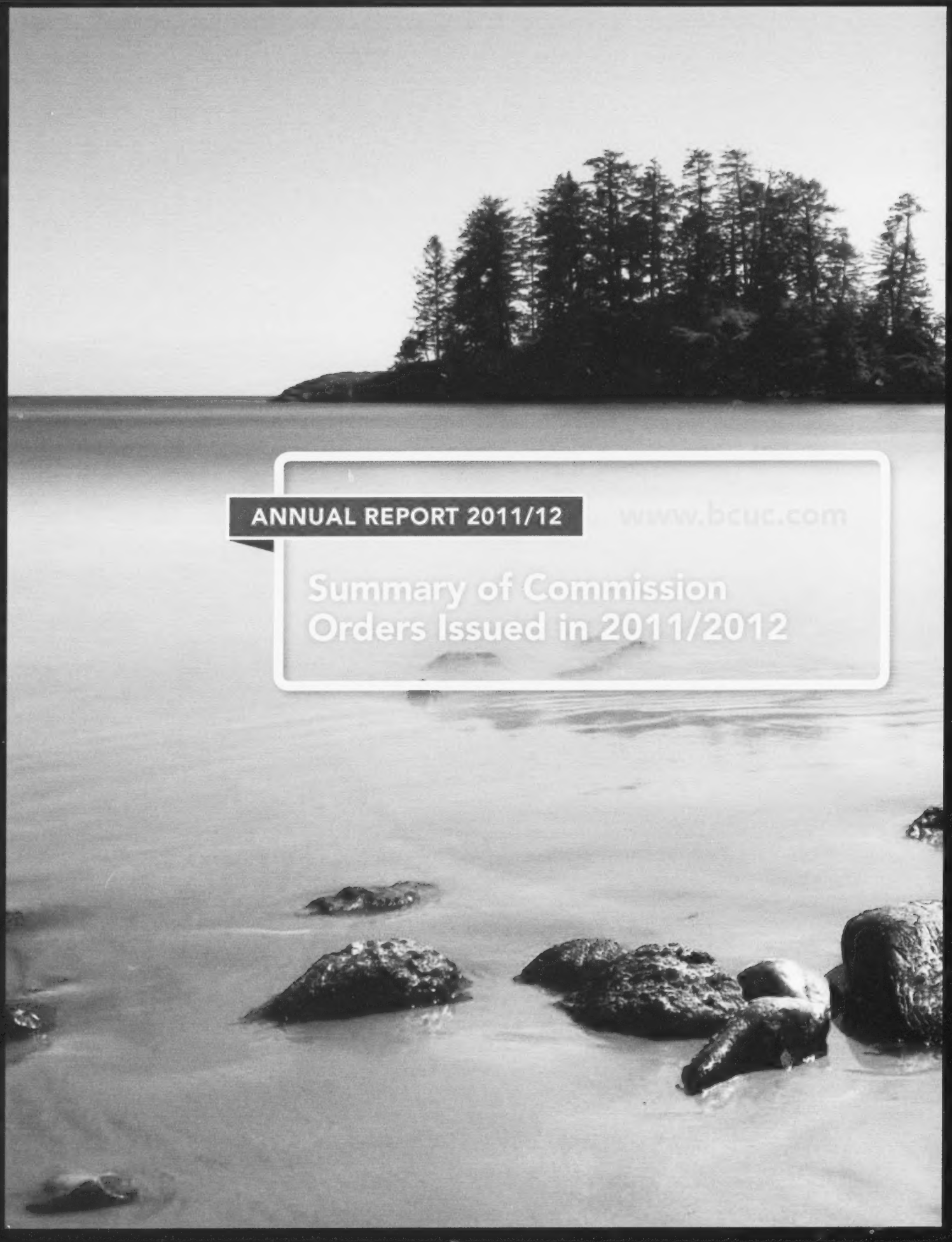
FortisBC Energy Inc.
Certificate of Public Convenience and Necessity for Contracts and Rate for Public Utility Service to Provide Thermal Energy Service to Delta School District Number 37, Order G-31-12 dated March 9, 2012

On November 28, 2011, FortisBC Energy filed an application for a Certificate of Public Convenience and Necessity for the construction and operation of thermal energy projects at 19 individual sites for the Delta School District Number 37 (Delta SD), and for approval of rates and rate design established by an Energy System Rate Development Agreement (RDA) and individual Energy System Service Agreements (Service Agreements) entered into between FEI and Delta SD.

The application was reviewed through a written hearing process. The decision was issued on March 9, 2012, where the Commission Panel made the following key findings and determinations:

- The Panel was of the view that Delta SD needed to replace aging infrastructure and the Project presents Delta SD with the opportunity to reduce its GHG emissions thereby helping to mitigate its exposure to potentially increasing carbon offset costs in the future. Accordingly, the Panel considered this a justification for the Project to proceed;
- The Project was generally consistent with British Columbia's energy objectives;
- Considering the nature of the Project, the public consultation was adequate;
- The pooled or package rate for Delta SD's 19 current sites was acceptable. However, the Panel did not approve the extension of the pool beyond Delta SD's current and future sites;
- The Panel deferred any further consideration of the General Terms and Conditions 12A to the Alternative Energy Services Inquiry and considered only the agreements between FortisBC Energy and Delta SD as a basis for setting rates;
- The Panel directed that the thermal services to Delta SD be provided by a separate corporate entity;
- Delta SD was given some additional protection against the risk of significant charges from the Thermal Energy Services Deferral Account (TESDA) as follows:

- Any overhead charged to Delta SD should be incurred due to service provided and invoiced by the affiliate;
- The entire TESDA account must remain within FEI, until such time as the Alternative Energy Services Inquiry, the FortisBC Energy Utilities 2012-2013 Revenue Requirements Panel or other future Panel directs otherwise;
- The proposed 60/40 debt equity capital structure was approved;
- The Panel believed that an appropriate level of equity risk premiums could range from none to a somewhat higher level of equity premium above the benchmark utility ROE. The Panel also recognized that the ROE premium may reflect other factors in addition to risk and was prepared to accept the proposed premium of 50 basis points or a re-negotiated lower premium after the 30 day review; and
- FEI was directed to provide a negotiated cost of debt rate based on an entity with Better Business Bureau rating with a premium to reflect the additional cost to arrange an incremental small debt issue.



ANNUAL REPORT 2011/12

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Summary of Commission Orders Issued in 2011/2012

Summary of Commission Orders Issued in 2011/2012

Order No.	Description
Access Gas	
A-14-11	Renewal of Gas Marketer Licence - Customer Choice Program
A-29-11	Modified Third Party Verification Script (Automated Responses)
Active Energy	
A-22-11	Compliance Inquiry - Customer Choice Program
A-24-11	Renewal of Gas Marketer Licence - Customer Choice Program
A-30-11	Compliance Inquiry - Customer Choice Program - Public Hearing for Further Process
Altagas Ltd.	
A-17-11	Renewal of Gas Marketer Licence - No.1, 2011 to Oct 31, 2011
Aquilon Power Ltd.	
G-113-11	Deregistration of Aquilon Power for the function of Purchasing Selling Entity
Bluestream Energy Inc.	
A-16-11	Renewal of Gas Marketer Licence - No.1, 2011 to Oct 31, 2011
British Columbia Hydro and Power Authority	
C-13-11	Amendment to the Approval of Certificates of Public Convenience and Necessity for the Remote Community Electrification Projects in Tsay Keh, Fort Ware and Elhlatees
E-15-11	Electricity Purchase Agreement Amendments - Lower Clowhom, Upper Clowhom, Gold River, Barr Creek
E-25-11	Electricity Purchase Agreement Amendments for the East Toba and Montrose Project and the Raging River 2 Project
F-15-11	Residential Inclining Block Rate Re-Pricing Application
F-17-11	Street Lighting Tariff - Commercial Energy Consumers Association of British Columbia
F-20-11	Commercial Energy Consumers Association of British Columbia for Reconsideration of Order F-13-11
F-23-11	Smart Metering Infrastructure Regulatory Account the Actual F2011 Smart Metering Program and Smart Grid Program Operating Costs
F-24-11	BCTC Fiscal 2011 Transmission Capital Plan Update

Order No.	Description
G-67-11	Transmission Service Rate Customer Baseline Load F2010 and F2011 - Prince Rupert Port Authority Interim F2011 CBL
G-72-11	F2012-F2014 Revenue Requirements - Final Interim Rates
G-75-11	Establishment of a Regulatory Account in Connection with Rock Bay Environmental Remediation
G-76-11	Ruskin Dam and Powerhouse Upgrade Project CPCN - Amended Regulatory Timetable
G-78-11	Application to include in the Smart Metering Infrastructure Regulatory Account the Actual F2011 Smart Metering Program and Smart Grid Program Operating Costs
G-79-11	Street Lighting Tariff Application
G-83-11	A Customer complaint M.H. - Reasons for Decision
G-87-11	Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards
G-90-11	Establishment of a Regulatory Account in Connection with the Divestiture of Arrow Water Systems
G-102-11	Street Lighting Tariff Application
G-114-11	Mandatory Reliability Standards - Assessment Report No. 4 - Notice of Filing and Request for Public Comments - Timetable
G-115-11	Smart Metering Infrastructure Regulatory Account F2011 Expenditures - Determination
G-116-11	Ruskin Dam and Powerhouse Upgrade Project CPCN - Amended Timetable
G-119-11	Application for Reconsideration of Commission Order G-64-11 Regarding International Forest Products Limited - Adams Lake Lumber Division Prospective Growth Adjustment
G-122-11	Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards
G-132-11	Dawson Creek/Chetwynd Transmission Area Upgrade Project - CPCN - Initial Timetable
G-136-11	Application for Large General Service Rate Electric Supplement No. 78-Regulatory Timetable
G-148-11	Application for approval of Mitigation Plan required for Compliance with Mandatory Reliability Standards
G-151-11	Mandatory Reliability Standards Assessment Report No. 3 by British Columbia Hydro and Power Authority and the Determination of Reliability Standards for Adoption in British Columbia
G-159-11	Ruskin Dam and Powerhouse Upgrade Project CPCN - Amended Timetable
G-160-11	Dawson Creek/Chetwynd Transmission Area Upgrade Project - CPCN - Revised Timetable
G-162-11	Mandatory Reliability Standards Assessment Report No. 3 by British Columbia Hydro and Power Authority and the Determination of Reliability Standards for Adoption in British Columbia
G-170-11	Amend Rate Schedule 1289 - Net Metering Service and Cancel Tariff Supplement No. 63 Net Metering Interconnection Agreement
G-172-11	Nelsen Lodge - Large General Service Rate Prospective Growth Adjustments to Historical Baseline - Interim Rate
G-173-11	2012-2014 Revenue Requirements - Revised Regulatory Timetable
G-175-11	Mandatory Reliability Standards Assessment Report No. 4
G-182-11	City of New Westminster - 2011 New Westminster Substation Operating Agreement - Tariff Supplement No. 79 - Regulatory Timetable
G-184-11	Dawson Creek/Chetwynd Area Transmission Project CPCN - Regulatory Timetable
G-185-11	Open Access Transmission Tariff - Revised Attachment C - Methodology to Assess Available Transfer Capability
G-191-11	Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards
G-202-11	Amendment #4 - Transmission Service Customer Baseline Load F2010 and F2011
G-203-11	Amendment Tariff Supplement No. 74 - Customer Baseline Load Determination Guidelines and CBL Adjustment Tariff Practices - Regulatory Timetable
G-206-11	F2012 to F2014 Revenue Requirements - Regulatory Timetable
G-213-11	Application for Large General Service Rate - Electric Tariff Supplement No. 82 - Reasons for Decision
G-216-11	Application for Approval of Dismissal of Violation Records and Mitigation Plans required for Compliance with Mandatory Reliability Standards - Written Comments

Order No.	Description
G-222-11	Amend Rate Schedule 1289 – Net Metering Service and Cancel TS 63 - Net Metering Interconnection Agreement - Regulatory Timetable
G-225-11	Revised Open Access transmission Tariff Attachment K - Transmission Planning
L-27-11	Interior to Lower Mainland Transmission Project - Reconsideration of BCUC February 3, 2011, Decision - Extension to Hwlitsum's Reply Submission
L-28-11	Tappenvale Farm Stray Voltage Complaint - Request for Extension
L-29-11	F2012-F2014 Revenue Requirements - Procedural Conference Notice
L-32-11	F2012-F2014 Revenue Requirements - Procedural Conference Issues
L-35-11	Extreme Temporary Overvoltages Directive L-60-10
L-38-11	Application for Reconsideration of Commission Order G-64-11
L-41-11	F2011 Revenue Requirements - Reconsideration of F-13-11 by the Commercial Energy Association of British Columbia
L-43-11	Large General Service Rate Negotiated Settlement - Class Revenue Neutrality
L-44-11	Extend filing date of the Negotiated Flat Rate with Corix Multi-Utility Services Inc. contained in Order G-36-11
L-50-11	F2011 Revenue Requirements - Reconsideration of F-13-11 by the Commercial Energy Association of British Columbia-Request for Addition
L-61-11	Fiscal 2011 Revenue Requirements Application Request for Reconsideration of Order F-13-11
L-66-11	Customer Complaint - Back Billing-K Centre
L-73-11	Emerging Construction Management on behalf of Strathmore Developments Ltd. - Billing Complaint
L-79-11	Amend Tariff Supplement No. 74 - Customer Baseline Load Determination Guidelines and Adjustment Tariff Practices - Request for Comments
L-85-11	Tappenvale Farm Stray Voltage Complaint - Request for Document and Termination of Inquiry
L-86-11	Application to Amend Rate Schedule 1289 and Cancel Tariff Supplement No. 63 - Amended Timetable
L-96-11	Andrea Collins and the Citizens for Safe Technology Society Complaint under section 47 of the *Utilities Commission Act*
C-4-12	Remote Community Electrification Program and Electricity Tariff Amendments for Hartley Bay
C-5-12	Ruskin Dam and Powerhouse Upgrade Project - Decision
E-8-12	Amendments to BC Hydro Electricity Purchase Agreements for the Bear Mountain Wind Park and Barr Creek Projects
F-3-12	Large General Service Rate - Proposed Electric Tariff Supplement No. 82
G-4-12	Amendment to OATT Attachment C Denied-Reasons for Decision
G-6-12	Herber Dam Diversion Decommission - Regulatory Timetable
G-8-12	New Westminster Substation Operating Agreement - Electric Tariff No. 83
G-10-12	Amendment to OATT Attachment K
G-16-12	Application to Amend the Termination Date for Open Access Transmission Tariff Rate Schedule 09 Loss Compensation Service
G-17-12	F2012-F2014 Revenue Requirements Application - Reasons for Decision-Interim Rates Effective April 1, 2012
G-22-12	Large General Service Rate - Tariff Supplement No. 82
G-38-12	Exemption from Section 71 - Electricity Purchase Agreements entered into under the 2008 Standing Offer Program
G-39-12	Suspend the Retail Access Program
G-40-12	Electricity Purchase Agreement and Amendment with Conifex Power Inc.
G-41-12	F2012-F2014 Revenue Requirements Application - Reasons for Decision - Negotiated Settlement Process Denied

Order No.	Description
L-1-12	Remote Community Electrification for Hartley Bay/2011 RCE Annual Report - Request for Comments
L-2-12	Large General Service Rate Tariff Supplement No. 82/Revisions to Rate Schedule 16xx - Amended Filing Requirements
L-3-12	Electricity Purchase Agreement between BC Hydro and Conifex Power Inc. – Information Request
L-7-12	Large General Service Rate Tariff Supplement No. 82-Clarification/Reconsideration of Order G-213-11
L-8-12	Electricity Purchase Agreement between BC Hydro and Conifex Power Inc.
L-9-12	F2012 to F2014 Revenue Requirements - Timetable Amendment
L-10-12	Electricity Purchase Agreement between BC Hydro and Conifex Power Inc. - Celgar's Standing
L-11-12	Ruskin Dam and Powerhouse Upgrade Project CPCN - Deny Clean Energy Request to Reopen Evidentiary Record with respect to Amended Special Direction 10 to BCUC
L-12-12	Customer Complaint - Monte Lake Forest Products Inc. - Backbilling Forgiveness of Debt
L-13-12	Andrea Collins and the Citizens for Safe Technology Society Smart Meter Complaint
L-14-12	F2012-F2014 Revenue Requirements - Amended Regulatory Timetable
L-15-12	Customer Complaint - Billing Adjustment
L-20-12	Customer Complaint regarding System Extension Costs
R-1-12	Acceptance of Violation Retraction of FAC-002-0, Requirement 1
R-2-12	Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards
R-3-12	Confirmation of Alleged Violation BAL-005-0.1b, Requirement 12 and PRC-017-0, Requirement 2
R-9-12	Dismissal of Duplicated Record for Possible Violations PRC-017-0 R2

British Columbia Hydro and Power Authority / British Columbia Transmission Corporation

G-77-11	Reconsideration of the Interior to Lower Mainland Transmission Project - Reasons for Decision
G-166-11	Interior to Lower Mainland Transmission Project Reconsideration - Review of BC Hydro's Compliance Report to Commission Order G-15-11 Duty to Consult
G-11-12	2012 Negotiated Settlement Process Guidelines
G-20-12	Generic Cost of Capital Proceeding – Initial Regulatory Timetable and Notice of Proceeding
G-37-12	Streamlined Review Process (SRP): Policy, Procedures and Guidelines dated March 2012

British Columbia Utilities Commission

G-80-11	Recovery of Commission Costs for the 2011/2012 Fiscal Year
G-130-11	Commission Rules for Electricity Energy Supply Contracts
G-194-11	Mandatory Reliability Standards - 2012 Implementation Plan
L-56-11	Mandatory Reliability Standards - Determination of Severity of a Confirmed Violation of Standards
L-94-11	Draft Rules for Energy Supply Contracts for Electricity Under Section 71 of the *Utilities Commission Act*

Bear Mountain Wind

G-112-11	Confirmation of Alleged Violation - PER-002-0, R4 and PER-003-0, R1
R-13-12	Violation Dismissal - PRC-017-0, Requirement 1

Big White Utility Ltd.

L-36-11	Financial Forecast for 2010-2011
L-63-11	Fiscal 2012 - Financial Forecast

Order No.	Description
Birds Eye Cove Estates	
G-18-12	Extension of the Completion Date for the Transfer of Utility Assets of Bird's Eye Cove Estates Ltd. to Cove Power Society
Birds Eye Cove Power	
G-186-11	Transfer of the Utility Assets of Bird's Eye Cove Estates to Cove Power Society and Permission to Cease Operation as a Public Utility
L-33-11	Certificate of Public Convenience and Necessity and for Revenue Requirements and Tariffs - Amended Timetable
L-52-11	Certificate of Public Convenience and Necessity and Revenue Requirements and Tariffs - Amended Timetable
L-80-11	Certificate of Public Convenience and Necessity and Revenue Requirements and Tariffs - Continue Timetable Extension
Cascadia Energy Ltd.	
A-12-11	An Application to Terminate Gas Marketer Licence A-22-10
Catalyst Paper	
G-152-11	Elk Falls Division - Confirmation of Alleged Violation - PRC-005-1, R1 and PRC-008-0, R1 and R2
G-153-11	Crofton Division - Confirmation of Alleged Violation - PRC-005-1, R1 and PRC-008-0, R1 and R2
G-154-11	Powell River Division - Confirmation of Alleged Violation - PRC-005-1, R1 and PRC-008-0, R1 and R2
G-217-11	Crofton Division - Dismissal of Violation Records and Mitigation Plans required for Compliance with Mandatory Reliability Standards
G-218-11	Elk Falls Division - Dismissal of Violation Records and Mitigation Plans required for Compliance with Mandatory Reliability Standards
G-219-11	Powell River Division - Dismissal of Violation Records and Mitigation Plans required for Compliance with Mandatory Reliability Standards
Central Heat Distribution Ltd.	
E-23-11	Gas Sales and Purchase Agreement with Cascadia Energy
L-78-11	Customer Complaint and Energy Supply Contract Filings
L-93-11	Annual Gas Contracting Plan and Hedging Strategy Request
City of Nelson/Nelson Hydro	
G-35-12	Electrical Utility Amendment Bylaw No. 3225, 2012 - Rate Increase
Clowhom Power L.P.	
G-98-11	Registration as a Responsible Entity for Purchasing Selling Entity Function for Compliance with Mandatory Reliability Standards and the Registration for certain functions for Hydromax Energy Ltd.
Coastal Rivers L.P.	
G-180-11	Transfer of Exemption from Part 3 and Section 71 of the *Utilities Commission Act* for Sales of Electrical Power Services from the Upper Mamquam Hydro facility from Coastal Rivers LP to CPI Preferred Equity Ltd.
Connect Energy	
A-20-11	Renewal of Gas Marketer Licence - Customer Choice Program
Corix Multi Utility Services Inc.	
C-7-11	Neighbourhood Utility Service at UniverCity Burnaby - Decision
E-6-11	Propane Fuel Supply and Equipment Contract for Panorama Mountain Resort

Order No.	Description
G-133-11	UniverCity Neighbourhood Utility Service in Burnaby - Compliance Filing - Amendments to Terms & Conditions of Service/Tariff Schedule of Fees/Residential Rate Schedule
E-3-12	Propane Annual Contracting Plan for Panorama Mountain Village
G-34-12	Panorama Mountain Resort - Gas Cost Recovery Charge Propane Decrease
Cowichan Valley Regional District	
G-147-11	Prospective Growth Adjustment pursuant to Clause 13 of Large General Service Negotiated Settlement Agreement as approved by Commission Order G-110-10
Direct Energy	
A-15-11	Temporary Renewal of Gas Marketer Licence - Oct 1 to Oct 15, 2011
A-19-11	Renewal of Gas Marketer Licence - Customer Choice Program
Dokie Wind	
G-82-11	Mandatory Reliability Standards - Registration as Generator Owner, Generator Operator, Transmission Owner and Transmission Operator
Evolution Home Owners Association	
G-99-11	Prospective Growth Adjustment Application – Interim Rate
Firefly/AG Energy	
A-27-11	Renewal of Gas Marketer Licence - Customer Choice Program
FortisBC Inc.	
E-8-11	Filing of Quarterly Market Purchase Summary reports instead of Electricity Purchase Agreements for purchases less than one month in duration
E-9-11	Electricity Purchase Agreement with Shell Energy North America (US), L.P.
E-10-11	Electricity Purchase Agreement with Powerex Corp.
E-13-11	Electricity Purchase Agreements (DEQ 971/975) for Energy with Powerex Corp.
E-14-11	Electricity Purchase Agreement (DEQ 972) for Energy with Powerex Corp.
E-21-11	25 MW Capacity and Energy Purchase Agreement(s)
E-22-11	Report on Market Purchases for Second Quarter of 2011
E-29-11	Report on Market Purchases for Third Quarter of 2011
G-68-11	Residential Inclining Block Re-Pricing - Regulatory Timetable
G-86-11	Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards
G-91-11	Interim Rate reflecting the flow-through of BC Hydro's Power Purchase interim rate increase
G-94-11	2011 Residential Inclining Block Rate - Revised Regulatory Timetable
G-108-11	Application to Withdraw 2009 Resource Plan
G-111-11	2012-2013 Revenue Requirements and Review of 2012 Integrated System Plan - Initial Regulatory Timetable
G-123-11	Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards
G-142-11	Residential Inclining Block Rate - Revised Timetable - Reasons
G-149-11	Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards
G-167-11	2012-2013 Revenue Requirements and Review of 2012 Integrated System Plan - Initial Regulatory Timetable
G-187-11	Subcontractor Agreement between FortisBC Inc. and Fortis Pacific Holdings Inc.
G-199-11	2012-2013 Revenue Requirements and Review of 2012 Integrated System Plan - Amended Regulatory Timetable with Reasons for Decision
G-214-11	2012-2013 Revenue Requirements and Review of 2012 Integrated System Plan - Amended Regulatory Timetable

Order No.	Description
G-215-11	Commission Order C-5-06 for the Kettle Valley Distribution Source Project - Notice of an Expenditure Review under sections 59 and 60 of the *Utilities Commission Act* – Stage 1 Review established
L-31-11	Heritage Hills Complaints: Okanagan Transmission Reinforcement Project
L-55-11	Residential Inclining Block -Commission Panel Information Requests
L-65-11	2012-2013 Revenue Requirement and Review of 2012 Integrated System Plan Application - Revised Preliminary Timetable
L-84-11	Residential Inclining Block Rate - Revised Regulatory Timetable
E-6-12	Market Purchases Report - Fourth Quarter 2011
F-6-12	Residential Inclining Block Rate
G-3-12	Residential Inclining Block Rate - Decision
G-19-12	Application for Approval of a Subcontractor Agreement between FortisBC Inc. and Fortis Pacific Holdings Inc. involving the Brilliant Expansion Power Plant
G-36-12	Kettle Valley Distribution Source Project - Prudency Review Stage 2 - Regulatory Timetable - Reasons
R-10-12	Confirmation of Alleged Violations for Compliance with Mandatory Reliability Standards
R-12-12	Revised Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards

FortisBC Energy Inc.

A-9-11	Customer Choice - 2010 Program Summary and recommendations - Decision
A-11-11	Customer Choice Program - Revisions to Rules for Gas Marketers and Form A: Application for a Licence to Market Natural Gas
C-8-11	Operating Agreement with the Corporation of the District of Peachland
C-9-11	Extension to the Operating Agreement with the Village of Clinton
C-10-11	Extension to the Operating Agreement with the Municipality of Coldstream
C-11-11	Operating Agreement with the District of Sparwood
C-12-11	Operating Agreement with the Village of Lumby
C-15-11	Extension to the Franchise Agreement with the District of Mackenzie
E-7-11	Revelstoke Service Area Price Risk Management Plan 2011-2012
E-11-11	Special Provisions for the Tidal Energy Marketing Inc GasEDI Base Contract
E-12-11	Approval of the Mist Storage Contracts
E-16-11	IGI Resources, Inc. - GasEDI Base Contract Special Provisions
E-17-11	TransAlta Energy Marketing Corp. - GasEDI Base Contract Special Provisions
E-18-11	Accepted for filing the IGI Resources Redelivery Agreement
E-19-11	Special Provisions for the DB Commodities Canada Ltd. GasEDI Base Contract
E-20-11	Transportation Agreement Extension with Northwest Pipeline GP
E-26-11	Storage Agreement between CrossAlta Gas Storage and Services Ltd. and FortisBC Energy Inc.
E-27-11	Natural Gas Contracts for the Commodity and Midstream Portfolios for the 2011/12 Contract Year
F-22-11	Customer Choice Program - 2010 Program Summary and Recommendations
F-25-11	Compressed Natural Gas Service Agreement/Compressed Natural Gas and Liquefied Natural Gas General Terms and Conditions
G-69-11	Amending Agreement to a Firm Transportation Service Agreement between FortisBC Energy Inc. and Westcoast Energy Inc.
G-88-11	Rate Schedule 14A for the 2011/2012 Gas Contract Year
G-89-11	Natural Gas Supply Contracts for the period April 1 to October 31, 2011

SUMMARY OF DECISIONS, ORDERS AND NEGOTIATED SETTLEMENTS

Order No.	Description
G-95-11	Offering of Products and Services in Alternative Energy Solutions and Other New Initiatives - Procedural Conference
G-105-11	Revelstoke Service Area - 2011 Second Quarter Gas Cost Report and Propane Commodity Charges effective July 1, 2011
G-118-11	Products and Services Offering in Alternative Energy Solutions and Other New Initiatives - Scoping Order
G-128-11	Service Agreement for Compressed Natural Gas and for Approval of General Terms and Conditions for Compressed Natural Gas and Liquefied Natural Gas - Decision
G-131-11	Extension to the Deadline for Filing an Application for a Gas Supply Mitigation Incentive Program to August 16, 2011
G-143-11	Extension to the Deadline for Filing an Application for a Gas Supply Mitigation Incentive Program to August 31, 2011
G-144-11	Temporary Service Agreement for Liquefied Natural Gas Service, Service Agreement for LNG Delivery, Daily Charge for Use of LNG Tanker and Mobile LNG Refueling Station - Interim Approval
G-145-11	Energy Efficiency and Conservation - Natural Gas Vehicle Incentive Review - Reasons for Decision
G-156-11	Lower Mainland, Inland and Columbia - 2011 Third Quarter Gas Cost Report and Rate Changes effective October 1, 2011
G-157-11	Fort Nelson - 2011 Third Quarter Gas Cost Report and Rate Changes effective October 1, 2011
G-163-11	Gas Supply Mitigation Incentive Program for the November 1, 2011 to October 31, 2013 Period
G-164-11	Offering of Products and Services in Alternative Energy Solutions and Other New Initiatives - Amended Regulatory Timetable
G-165-11A	Compression Rate Schedule, Compression & Dispensing Rate Calculation and Effective Rate to Provide Public Natural Gas Vehicle Refuelling at the FEI Surrey Operations Centre - Reasons for Decision
G-178-11	Tilbury Property Sale - Confidential Information Session
G-179-11	Rate Schedule to provide Thermal Energy Services to Delta School District No. 37
G-181-11	Sale of Part of the Tilbury Property and Sale of Easement Rights Over an Easement Area on Neighbouring Land - Determination
G-195-11	Lower Mainland, Inland and Columbia - 2011 Fourth Quarter Gas Cost Report and Rate Changes effective January 1, 2012
G-197-11	Amended Rate Schedule 30 - GasEDI Contract
G-200-11	Rate Schedule 1B Residential Biomethane Service Tariff Amendment
G-205-11	Contracts and Rate for Public Utility Service to Provide Thermal Energy Service to Delta School District No. 37 - Timetable & Notice
G-210-11	Biomethane Variance Account and the Biomethane Energy Recovery Charge Rate effective January 1, 2012, for the Lower Mainland, Inland, Columbia Service Areas
G-223-11	Certificate of Public Convenience and Necessity for Approval of Contracts and Rate for Public Utility Service to Provide Thermal Energy Service to Delta School District Number 37 - Reasons for Decision on Negotiated Settlement Agreement and General Terms & Conditions Section 12A-Alternative Energy Extensions Economic Test
G-224-11	Revised Rate Schedule 36 effective December 1, 2011
L-37-11	Gas Supply Mitigation Incentive Program Year End Report November 2009-October 31, 2010
L-40-11	Report on Gas Cost Deferral Accounts and Rate Setting Mechanisms
L-46-11	Lower Mainland, Inland and Columbia Service Areas - 2011 Second Quarter Gas Cost Report
L-47-11	Fort Nelson Service Area - 2011 Second Quarter Gas Cost Report
L-51-11	Revelstoke - 2011-2012 Price Risk Management Plan
L-53-11	Gas Supply Mitigation Incentive Program - Service Quality Indicators

Order No.	Description
L-58-11	Revelstoke Price Risk Management Plan 2011-2012 - Denied additional Hedging
L-59-11	Company Use Gas - Hedging and Treatment of Volume Variances for 2012-2013
L-60-11	Kootenay River Crossing Upgrade Project - Compliance Filing Extension
L-62-11	Compression Rate for Public NGV Refueling - Written Hearing/Timetable
L-68-11	Temporary Service Agreement for Liquefied Natural Gas Service, Service Agreement for LNG Delivery, Daily Charge for Use of LNG Tanker and Mobile LNG Refueling Station - Suspending Vedder Proceeding
L-69-11	2011-2012 Annual Contracting Plan (November 2011 - October 2012)
L-70-11	Gas Supply Mitigation Incentive Program Plan-Working Group Filing Delay
L-72-11	Revelstoke - 2011 Third Quarter Gas Cost Report
L-81-11	Kootenay River Crossing Upgrade Project - Revised Cost Estimate for the Project
L-82-11	Receipt Point Fuel Gas Percentages effective November 1, 2011
L-88-11	Fort Nelson - Gas Cost Reconciliation Account and Gas Cost Recovery Rates - 2011 Fourth Quarter Gas Cost Report
L-89-11	Revelstoke - 2011 Fourth Quarter Gas Cost Report
L-91-11	Offering of Products and Services in Alternative Energy Solutions and Other New Initiatives - Amend Regulatory Timetable
C-1-12	Extension to Operating Agreement with the Municipality of Coldstream
C-2-12	Operating Agreement with the Corporation of the City of Greenwood
C-3-12	Certificate of Public Convenience and Necessity for Contracts and Rate for Public Utility Service to Provide Thermal Energy Service to Delta School District Number 37
E-2-12	Base Contract for Short-Term Sale and Purchase of Natural Gas between Northwest Natural Gas Company and FortisBC Energy Inc.
E-4-12	Change to Quarterly Financial Hedging Transactions Reporting from Credit Management Reporting
E-5-12	AECO Gas Storage Partnership (Niska) Agreement Extension
E-7-12	Section 71 Filing of a Biomethane Purchase Agreement with Fraser Valley Biogas Ltd.
E-9-12	Commodity Baseload Purchases for Summer 2012
E-10-12	Propane Supply Agreement with MP Energy
F-1-12	Sale of Part of the Tilbury Property and Sale of Easement Rights over an Easement Area on Neighbouring Land
G-1-12	Alternative Energy Solutions and Other New Initiatives - Reasons for Decision - Written Comment Process
G-9-12	Alternative Energy Services - Format of Inquiry Proceeding and Regulatory Timetable - Reasons
G-14-12	Approval of Section 12B of FEI's General Terms and Conditions
G-23-12	Certificate of Public Convenience and Necessity for Compressed Natural Gas Refueling at BFI Canada – Written Hearing and Regulatory Timetable established
G-26-12	2012 First Quarter Gas Costs - Lower Mainland, Inland and Columbia
G-27-12	2012 First Quarter Gas Costs - Fort Nelson
G-28-12	2012 First Quarter Gas Costs - Revelstoke
G-31-12	Certificate of Public Convenience and Necessity for Contracts and Rate for Public Utility Service to Provide Thermal Energy Service to Delta School District Number 37 - Decision
G-32-12	Operating Terms Between the District of Coldstream and FEI - Regulatory Timetable
G-33-12	Capital Expenditure Schedule, Rate Design and Rates for an Operating and Maintenance Agreement to Provide Thermal Energy Services for the Strata Corporation of Tsawwassen Springs Development – Notice of Written Hearing and Regulatory Timetable
L-4-12	Delta School District No. 37 - Thermal Energy Service Contracts - Amended Regulatory Timetable

Order No.	Description
L-6-12	Gas Supply Mitigation Incentive Program for 2010/11
L-19-12	Compliance Filings of the 2010 FEI and FEVI Main Extension and FEI Vertical Subdivision Reports and the Addendum to 2010 Year End Reports

FortisBC Energy (Vancouver Island) Inc.

E-28-11	Baseload, Seasonal and Peaking Natural Gas Supply Contracts for 2011/12
F-16-11	Mt. Hayes LNG Storage Facility/Acquisition of an Ownership Interest by the Chamainus Indian Band and Cowichan Tribes
G-100-11	Common Shares issued in the amount of $60 million to maintain FEVI's Commission-approved equity percentage
G-109-11A	Mt. Hayes LNG First Nations Investments - Reasons for Decision
G-161-11	Tariff Supplement No. 4 - Storage and Delivery Rates effective April 1, 2011, in the Storage and Delivery Agreement with FortisBC Energy Inc.
G-169-11	Extend the Maturity date of the Existing Term Credit Agreement between the Applicant, the Royal Bank of Canada and Other Lenders
L-48-11	2011 Second Quarter Gas Cost Report and the Rate Stabilization Deferral Account
L-71-11	2011 Third Quarter Report on the Gas Cost Variance Account and Rate Stabilization Deferral Account
L-74-11	2011-2012 Annual Contracting Plan (November 2011 - October 2012)
L-90-11	2011 Fourth Quarter Gas Cost Report on the Gas Cost Variance Account and the Rate Stabilization Deferral Account
G-15-12	Amending Agreement and Amending Agreement No. 2 to FEVI Tariff Supplement No. 4
L-16-12	2012 First Quarter Gas Cost Report

FortisBC Energy Inc. / FortisBC Energy (Vancouver Island) Inc.

F-26-11	Energy Efficiency and Conservation Program and Natural Gas Vehicle Incentives Review
F-27-11	F2011-F014 Price Risk Management Plan
G-70-11	Natural Gas Vehicle Incentive Review – Initial Regulatory Timetable
G-96-11	Natural Gas Vehicle Incentive Review - Amended Timetable
G-103-11	Natural Gas Vehicle Incentive Review - Amended Timetable
G-120-11	Price Risk Management Plan Effective April 2011 – October 2014
L-30-11	Energy Efficiency and Conservation Program Compliance Filing – Regulatory Process to review Natural Gas Vehicle inclusion in EEC funding
L-67-11	2010 FEI and FEVI Year End Main Extension and FEI Vertical Subdivision Reports
L-95-11	Request to Extend Filing Deadline for the 2012/13 Annual Contracting Plans

FortisBC Energy (Whistler) Inc.

G-71-11	2010-2011 Revenue Requirements and Rates Application for Permanent Rates
G-155-11	Gas Cost Recovery Charge effective October 1, 2011
G-196-11	Gas Cost Recovery Charge and Gas Cost Reconciliation Account Rate Rider 'A' Rate Amendment - 2011 Fourth Quarter Gas Cost Report
L-49-11	2011 Second Quarter Gas Cost Report
G-29-12	2012 First Quarter Gas Costs

FortisBC Energy Utilities

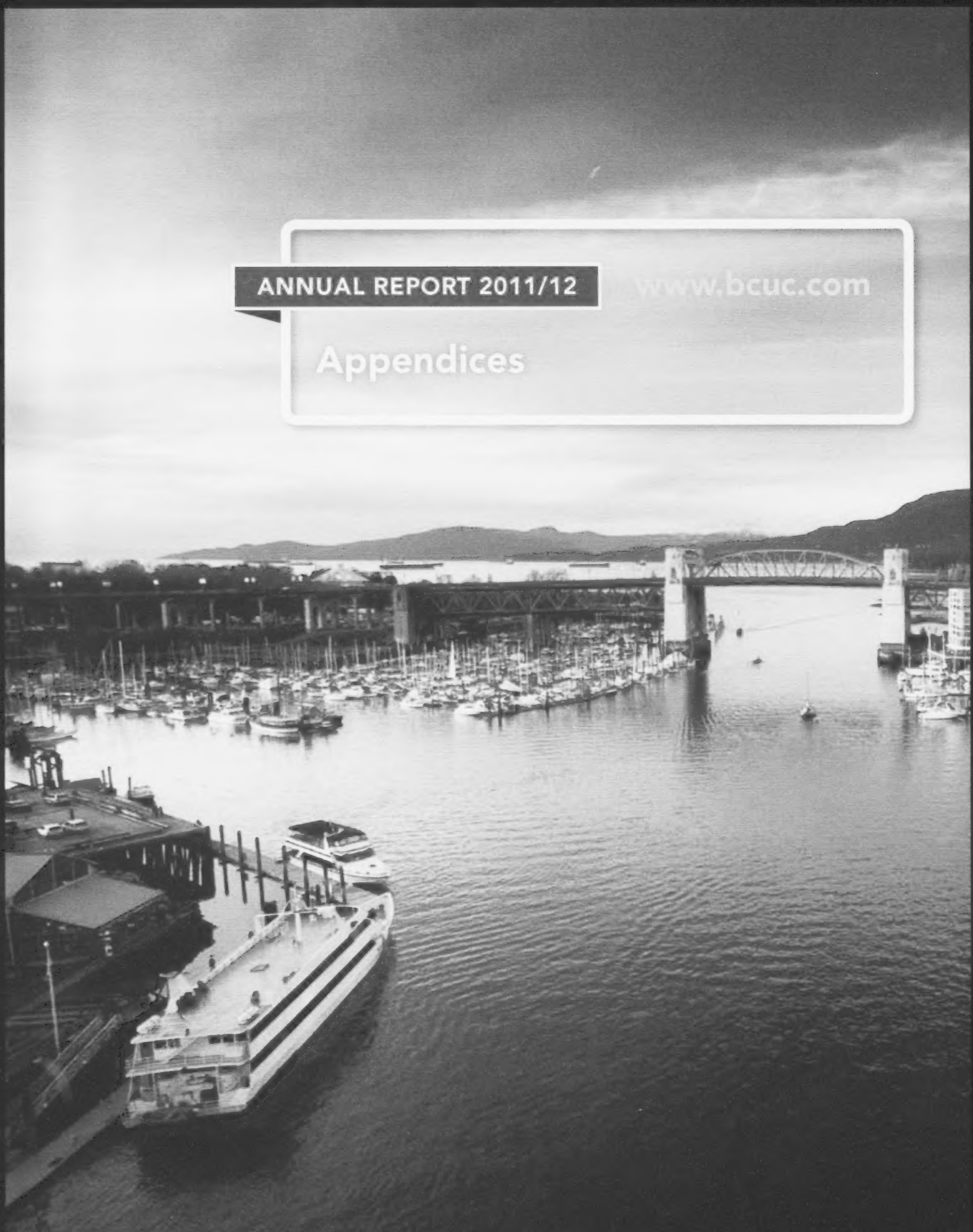
F-21-11	Application to Adopt US Generally Accepted Accounting Principles - $9,772.70
G-81-11	2012-2013 Revenue Requirements and Natural Gas Rates - Regulatory Timetable

Order No.	Description
G-117-11	Adopt US Generally Accepted Accounting Principles effective January 1, 2012 - Reasons for Decision
G-129-11	2012-2013 Revenue Requirements - Procedural Conference - Amended Regulatory Timetable - Reasons for Decision
G-140-11	Application for Variance to Commission Order G-2-11
G-158-11	2012-13 Revenue Requirements and Natural Gas Rates - Reasons for Decision - Request for Variance of Order G-129-11
G-177-11	2012-2013 Revenue Requirements and Natural Gas Rates - Interim Rates
L-42-11	2012-2013 Revenue Requirements and Natural Gas Rates - Amended Regulatory Agenda and Timetable
L-45-11	2012-2013 Revenue Requirements and Natural Gas Rates - Amended Regulatory Agenda and Timetable
G-5-12	2012-2013 Revenue Requirements and Natural Gas Rates - Transcript Evidence Correction
Industrial Customers Group	
E-1-12	Reconsideration of Order E-29-10 regarding a Capacity Purchase Agreement between FortisBC Inc. and Waneta Expansion Power Corporation
Insurance Corporation of British Columbia	
G-121-11	Basic Insurance Tariff Amendment to Section 3.B.2
G-174-11	Streamline the IT Capital Reporting Requirements - Regulatory Process
G-189-11	Streamline the IT Capital Reporting Requirements - Reasons for Decision
G-204-11	Basic Insurance Tariff Housekeeping Amendments
G-221-11	Revenue Requirements for Universal Compulsory Automobile Insurance for the Policy Year Commencing February 1, 2012 - Workshop and Pre-hearing Conference Notice
L-87-11	Filing of the 2011 Regional Claim Centres Detailed Work Effort Study including an Independent Third Party Report
L-92-11	2012 Revenue Requirements - Request Stakeholder Comments re: Interim Rates
G-21-12	2012 Revenue Requirements Application – Revised Regulatory Timetable
Just Energy	
A-8-11	Application to Terminate Gas Marketer Licence A-24-10
A-10-11	Scripts Approval
A-21-11	Renewal of Gas Marketer Licence - Customer Choice Program
MXenergy	
A-26-11	Renewal of Gas Marketer Licence - Customer Choice Program
Neucel Specialty Cellulose Ltd.	
L-83-11	BC Hydro Customer Baseline Load F2010 and F2011 Application - Confirmation of Neucel's Adjusted F2010 CBL or Interim F2011 CBL
Pacific Northern Gas Ltd.	
E-24-11	2011-2012 Gas Supply Contracts
G-92-11	2011 Revenue Requirements Negotiated Settlement Agreement
G-106-11	2011 Second Quarter Gas Commodity Rates effective July 1, 2011
G-127-11	Consolidated Gas Sales Tariff - Reasons for Decision
G-183-11	Application to Transfer Shares to AltaGas Ltd. and Altagas Application to Acquire PNG - Notice of Hearing and Regulatory Timetable
G-192-11	Acquisition of the Issued and Outstanding Shares of Pacific Northern Gas Ltd. - Determination

Order No.	Description
G-193-11	Transfer of the Issued and Outstanding Common Shares to AltaGas Utility Holdings (Pacific) Inc. - Determination
G-207-11	2012 Revenue Requirements - Preliminary Timetable/Notice of Workshop
G-209-11	Accepted 2011 Resource Plan for the PNG-West Pipeline System
G-211-11	Natural Gas Commodity Charges effective January 1, 2012 for the PNG-West and Granisle Service Areas
L-57-11	Annual Gas Contracting and Price Risk Management Plan - May 2011
L-76-11	Natural Gas Commodity Charges effective October 1, 2011 for PNG-West and Granisle Service Areas
F-4-12	2011 Resource Plan for the PNG-West Pipeline System
F-5-12	Transfer of the Issued and Outstanding Common Shares to AltaGas Utility Holdings (Pacific) Inc.
G-13-12	2012 Revenue Requirements Application - Amended Regulatory Timetable
G-24-12	2011 Un-accounted For (UAF) Gas Loss Above 1.0 Percent
L-17-12	2012 First Quarter Gas Cost Report
Pacific Northern Gas (N.E.) Ltd.	
G-93-11	2011 Revenue Requirements Negotiated Settlement Agreement
G-107-11	2011 Second Quarter Gas Commodity Rates effective July 1, 2011
G-168-11	Adopt US Generally Accepted Accounting Principles - Determination
G-208-11	2012 Revenue Requirements - Preliminary Timetable/Notice of Workshop
G-212-11	Natural Gas Commodity Charges effective January 1, 2012 for the Fort St. John/Dawson Creek and Tumbler Ridge Service Areas
L-64-11	Tomslake Gas Distribution System-Final Cost Report and Application
L-77-11	Natural Gas Commodity Charges effective October 1, 2011, for PNG(N.E.) Fort St. John/Dawson Creek and Tumbler Ridge Service Areas
G-12-12	2012 Revenue Requirements Application – Amended Regulatory Timetable
G-25-12	2011 Un-accounted For (UAF) Gas Loss Above 1.0 Percent
L-18-12	2012 First Quarter Gas Cost Report
Pacific Northern Gas Ltd. / Pacific Northern Gas (N.E.) Ltd.	
F-18-11	2011 Revenue Requirements and Consolidated Tariffs
Planet Energy	
A-23-11	Renewal of Gas Marketer Licence - Customer Choice Program
Port Alice Gas Ltd.	
G-7-12	Five Percent Increase to Delivered Cost of Propane to Adjust for Unaccounted Propane Volumes
Powell River Energy	
G-124-11	Mitigation Plan Acceptance - IRO-001-1.1
G-138-11	Mandatory Reliability Standards Mitigation Plans for EOP-004-1 R2,R3, VAR-002-1a R1-R5, VAR-STD-002a 1 WR 1
R-4-12	Mitigation Plan Acceptance - MOD-010-0 Requirements 1 and 2
R-5-12	Mitigation Plan Acceptance - COM-002-2 Requirement 1
R-6-12	Mitigation Plan Acceptance - MOD-012-0 Requirements 1 and 2
R-11-12	Violation Dismissal - BAL-005.0.1b, Requirement 1

Order No.	Description
Rio Tinto Alcan	
G-85-11	Mitigation Plans for Compliance with Mandatory Reliability Standards
G-126-11	Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards
G-137-11	Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards
G-190-11	Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards
R-7-12	Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards
R-8-12	Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards
River District Energy	
C-14-11	CPCN to Construct and Operate a District Energy System for the River District Development in Southeast Vancouver
G-141-11	CPCN Application to Construct and Operate a District Energy System - Regulatory Timetable
F-2-12	River District Energy Limited Partnership CPCN Proceeding
G-2-12	Rate and Revenue Requirements Resubmission
Shape Properties Corp.	
G-226-11	Prospective Growth Adjustment pursuant to Clause 13 of the Large General Service Negotiated Settlement Agreement – Interim Rate
Shaw Cablesystems	
F-19-11	Use of FortisBC Inc.'s Transmission Facilities
L-54-11	Use of FortisBC Inc.'s Transmission Facilities - Application Withdrawn
Shell Energy (US)	
G-73-11	Registration as a Responsible Entity for the Purchasing Selling Entity Function for compliance with Mandatory Reliability Standards
Smart Energy	
A-25-11	Renewal of Gas Marketer Licence (90 days) - Customer Choice Program
A-28-11	Compliance Inquiry - Customer Choice Program
Stargas	
G-139-11	Approved Transfer of Shares in Stargas from Rundle Investments Ltd. to CMI Holdings (1998) Inc.
G-171-11	Decrease in Gas Commodity Component of rates effective November 1, 2011
L-75-11	Price Mitigation Strategy Fiscal Year Ending May 31, 2012
Summitt Energy BC L.P.	
A-18-11	Renewal of Gas Marketer Licence - No.1, 2011 to Oct 31, 2011
Sun Peaks	
G-104-11	Gas Commodity Charge – Propane Increase effective June 1, 2011
G-201-11	Gas Commodity Charge - Propane Increase effective December 1, 2011
Sunnyside Greenhouses	
G-135-11	Large General Service Rate - Prospective Growth Adjustment - Set as Interim and Refundable pending review

Order No.	Description
Superior Energy	
A-13-11	Renewal of Gas Marketer Licence - Customer Choice Program
Teck Metals	
G-84-11	Mitigation Plans Retraction for Compliance with Mandatory Reliability Standards
G-125-11	Mitigation Plans Acceptance for Compliance with Mandatory Reliability Standards
G-220-11	Dismissal of Violation Records and Mitigation Plans required for Compliance with Mandatory Reliability Standards
Tembec LAP	
G-134-11	Reconsideration of Order G-95-10A - Registration as a Load Serving Entity - Reasons for Decision
Tolko Industries	
G-198-11	Reaffirmation of its Ability to Sell Power Generation in Excess of the First 2 MW of Generation in each hour as per Order G-113-01 – Reasons for Decision
L-34-11	Reaffirmation of its Ability to Sell Power Generation in Excess of the First 2 MW of Generation in each hour as per Order G-113-01 - Amended Timetable
TransAlta Energy	
G-74-11	Registration as a Responsible Entity for the Purchasing Selling Entity Function for compliance with Mandatory Reliability Standards
V.I. Power Limited Partnership	
G-97-11A	Registration as a Responsible Entity for Certain Functions required for Compliance with Mandatory Reliability Standards and the Deregistration for Certain Functions for Island Cogeneration No. 2 and NAES Corporation
Vancouver Island Health Authority	
G-146-11	Prospective Growth Adjustment pursuant to Clause 13 of Large General Service Negotiated Settlement Agreement as approved by Commission Order G-110-10 – Interim Rate
Zeballos Lake	
G-150-11	Mitigation Plan and Attestation of Mitigation Plan Completion Acceptance for Compliance with Mandatory Reliability Standards
Zellstoff Celgar	
G-101-11	Complaint re Failure of FortisBC Inc. and Celgar to Complete a General Service Agreement and FortisBC's Application of Rate Schedule 31 Demand Charges – Reasons for Decision, Regulatory Timetable, Notice of Written Hearing
G-110-11	Complaint re Failure of FortisBC Inc. and Celgar to Complete a General Service Agreement and FortisBC's Application of Rate Schedule 31 Demand Charges - Amended Regulatory Timetable
G-188-11	Complaint regarding the failure of FortisBC Inc. and Celgar to complete Service Agreement and FortisBC Application of Rate Schedule 31 Demand Charges - Decision



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Appendices

SPECIAL DIRECTIVES

The following is a general description of the Special Directives received during 2011/2012. The complete text of the Special Directives is available on the Commission's website at www.bcuc.com/SpecialDirection.aspx

Order in Council No. 035

Approved February 2, 2012 – Amendments to Section 1, Section 3, of Special Direction No. 10 to the British Columbia Utilities Commission, BC Reg. 245/2007

Order in Council No. 36

Approved February 2, 2012 – Amendment to Electricity Self-Sufficiency Regulation, BC Reg. 315/2010

Order in Council No. 227

Approved June 9, 2011 – Leonard Kelsey reappointed as a commissioner and is designated as chair of the British Columbia Utilities Commission for a term ending December 31, 2014

Order in Council No. 560

Approved November 30, 2011 – Direction to the Insurance Corporation of British Columbia, regarding its use of Basic Capital

Order in Council No. 619

Approved December 13, 2011 – Section 71 Exemptions for the following BC Hydro Electricity Purchase Agreements entered into under the 2008 Standing Offer Program: Lower Bear Hydro; Upper Bear Hydro; Canoe Creek Hydro; Cedar Road LFG; Fitzsimmons Creek Hydro and Cypress Creek Hydro Projects

Ministerial Order No. M338

Approved December 8, 2011 – *Clean Energy Act* Projects, Programs, Contracts and Expenditures Regulation, BC Reg. 302/2010

Ministerial Order No. M350

Approved December 18, 2011 – Harrison Parties Exemption Regulation exemption from Part 3 of the *Utilities Commission Act*

Ministerial Order No. M355

Approved December 8, 2011 – Demand Side Measures Regulation Amendment to Section 1, BC Reg. 326/2008

Ministerial Order No. M066

Approved March 12, 2012 – Community Based Biomass Call Exemption Regulation from Section 71 of the *Utilities Commission Act*

Ministerial Order No. M067

Approved March 12, 2012 – New Era Hydro Corporation Exemption from Section 3, Except for Section 22 of the *Utilities Commission Act*

REGULATED UTILITIES

Crown-Owned Electric Utilities

British Columbia Hydro and Power Authority
Lower Mainland, Vancouver Island, Central and Northern BC and East Kootenay Regions

Investor-Owned Electric Utilities

Corix Multi Utility Services Inc. (formerly Sun Rivers Services Corp.)
Kamloops

Hemlock Utility Services Ltd.
Hemlock Valley

FortisBC Inc.
West Kootenay and Okanagan Regions of BC Princeton, Osprey Lake and Trail Missezula Lake Areas

The Yukon Electrical Company Limited
Lower Post

Silversmith Power & Light Corporation
Sandon

Investor-Owned Natural Gas Or Propane Utilities

Big White Gas Utility
Big White Ski Resort

Gal-Gas Inc.
Canyon Ridge and Sonoma Pines

Corix Multi Utility Services Inc.
Panorama and Sonoma Pines Kamloops

Dockside Green Energy (LP)
Victoria

Pacific Northern Gas Ltd.
Summitt Lake to Prince Rupert and Kitimat

Pacific Northern Gas (N.E.) Ltd.
Dawson Creek, Rolla, Pouce Coupe, Tumbler Ridge, Fort St. John

Pacific Northern Gas Ltd.
Granisle (Propane Grid System)

Port Alice Gas Inc.
Port Alice (Propane Grid System)

Stargas Utilities Ltd.
Silver Star resort community

Sun Peaks Utilities Co., Ltd.
Resort area north of Kamloops

FortisBC Energy Inc.
Lower Mainland, Fort Nelson, Central and Northern Interior, the Kootenays and the Okanagan

FortisBC Energy (Vancouver Island) Inc.
Sunshine Coast, Powell River, and Vancouver Island north to Campbell River, west to Port Alberni, and south to Victoria

FortisBC Energy (Whistler) Inc.
Whistler

River District Energy Limited Partnership
Southeast Vancouver

Investor-Owned Steam Heat Utility

Central Heat Distribution Limited
Downtown Vancouver

Compulsory Automobile Insurance

Insurance Corporation of British Columbia
Province of BC

Municipally-Owned Electric Utilities

Municipally-owned electric utilities are not regulated under the *Utilities Commission Act*. Only the City of Nelson's electric utility with service outside of the Municipal boundaries is subject to regulation by the British Columbia Utilities Commission.

City of Grand Forks

City of Kelowna

City of Nelson
(also known as Nelson Hydro)

City of New Westminster

City of Penticton

District of Summerland

British Columbia Utilities Commission
Sixth Floor, 900 Howe Street, Box 250
Vancouver, British Columbia, Canada V6Z 2N3

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BC Toll Free 1-800-663-1385

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complaints@bcuc.com

Natural Gas Marketing, Customer Choice Inquiries:
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Website:
http://www.bcuc.com

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